State of Wisconsin, Department of Public Instruction

Shared Integrated Library System Cost Study

Final Report

Narrative

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Executive Summary

The Division for Libraries, Technology, and Community Learning (the Division) of the Wisconsin Department of Public Instruction commissioned this study to determine the costs of the shared integrated library systems (shared ILS) used by Wisconsin public libraries. The Division's goal for this study was to identify the costs for operating and managing the shared ILS, the costs to the library consortia that operated the shared ILS and to the member libraries for services provided by the shared ILS. The libraries that belong to a shared ILS typically are charged for their participation and use of the shared ILS. Prior to this study, the Division did not have detailed information about the costs that are charged back to the member libraries nor what shared ILS services are provided to those libraries.

The Division has assumed that library consortia and their member libraries spend several million dollars annually in maintaining shared ILS, but more exact costs had not been known. The results and findings from this study can be used by the Division and the shared ILS operators and members to inform future decisions on funding and further development of shared ILS. Such cost information has value in future planning by the Division and by Wisconsin public libraries.

This study, conducted by William E. Moen, Ph.D., Networked Information Management Consultancy, and Charles R. McClure, Ph.D., Information Management Consultant Services, employed a multi-faceted methodology to gather and analyze relevant data that addressed primary (mandatory) objectives and secondary (optional) objectives identified in the original Request for Proposal #PAE 0521:

Primary Objectives:
1. Identify and document the actual annual costs of operating each shared ILS in the state including hardware, software, maintenance, upgrades/replacements and staffing at the system and local library levels.
2. Identify and document the costs of the shared ILS and related services (e.g., cataloging) and who bears which costs.
3. Identify and document the different funding models used in each of the shared ILS.
4. Develop a list of all services that are offered as part of the shared ILS.
5. Examine optimal sizes for shared ILS, considering such factors as geographic area, including the impact on delivery services, collection size, number of participating libraries, ongoing maintenance and upgrades, staffing and related support services.
6. Examine the effectiveness and efficiency for fewer (and thus larger) shared ILS.

Secondary Objectives:
1. Determine the advantages and disadvantages of multitype shared ILS.
2. Investigate the impact of shared ILS on regional resource sharing with other types of libraries.
3. Document the governance structure(s) of shared ILS.

This study used multiple methodologies to collect data related to the study objectives. Two survey instruments comprised the primary method for data collection. The study team also conducted a series of focus groups at the Wisconsin Library Association Annual Conference in October 2005. This study was a significant first step in identifying shared ILS costs and issues; a number of factors may have affected the collection of data from both the systems and the member libraries. The study team attempted to control these factors through techniques that were built into the study design. Nonetheless, the study relies primarily on self-reported data supplied by the shared ILS operators and member libraries. As a result of a various data checking techniques, the study team believes that the accuracy, reliability, and validity of the data and findings are high.

During the period this study was conducted, there were significant changes in the number and makeup of the shared ILS that were the focus of the research. At the beginning of the study (August 2005), eighteen shared ILS were operational, serving approximately 300 public libraries. In at least one case, a shared ILS is operated by a public library (i.e., Waukesha Public Library) and not by a public library system. In

two cases, at the time of the study, there were multiple shared ILS serving members of a single public library system (e.g., Indianhead Federated Library System and Mid-Wisconsin Federated Library System). Further, Lakeshores Library System's shared ILS had members from a subset of Mid-Wisconsin Federated Library System libraries. During the study, three shared ILS made a commitment to discontinue operation, and those shared ILS member libraries were moving to another existing shared ILS. By the end of 2006 or early 2007, current plans call for only fifteen shared ILS operating to serve Wisconsin public libraries. The Arrowhead Library System is the only system where there is no shared ILS. However, Arrowhead is actively pursuing this and anticipates implementing a shared ILS in 2007.

Findings

Section 13 of this report presents the major findings related to each of the study objectives. Here we provide a brief overview of these findings related to the primary and secondary objectives.

Primary Objective 1 asked: ***What are the actual annual costs of operating each shared ILS in the state including hardware, software, maintenance, upgrades/replacements and staffing at the system and local library levels?***

Not all shared ILS operations have in place either a separate budget or detailed line items for recording costs for operating the shared ILS. Given the variance of costs reported by member libraries, it is also likely that there is a wide range of practices within the member libraries for identifying and recording accurate cost data related to their participation in a shared ILS. In addition, cost figures need to be analyzed within context; factors such as number of members of the shared ILS, the number of bibliographic and item records in the shared database, and percent of population served of the member libraries should be taken into account.

For the shared ILS operating costs, we asked respondents to provide cost data for the following categories of potential expenses:

- Personnel Costs
- Software Costs
- Buildings and Grounds Costs
- Vehicle Costs
- Travel & CE Costs
- Marketing and Public Relations Costs

- Liability Insurance Costs
- Supplies, Postage, & Printing Costs
- Telephone & Telecomm Costs
- Equipment & Maintenance Costs
- Professional Services Costs
- Shared ILS Contractual Costs

Reported annual operating costs ranged from a high of $1,466,029 (South Central Library System – LINK) to a low of $42,159 (Indianhead Federated Library System (Dynix) – BCLIC). The variance of annual operating costs may reflect the different vendors and products used in the individual shared ILS, among other factors. Staffing at the shared ILS also varied from less than 1 (Eastern Shores Library System – EasiCat) to more than 5 (Winnefox Library System – WALS). See Tables 32 and 33 for additional details.

The costs reported by the 78 member libraries that completed the questionnaire show similar or even greater variance than the annual operating costs reported by the shared ILS operators. These costs are indicative that member libraries do incur local costs, some significant, for participation.

The questionnaires used to collect cost data only requested data for one year, and such a snapshot of costs may reflect one-year anomalies. Cost data over a period of years may offer more accurate and reliable costs reflective of annual operating costs. In Section 14 of the report (summarized bellow), the study team makes recommendations about future collection of cost data.

Primary Objective 2 asked: ***Who pays for what costs of the shared ILS and related services (e.g., cataloging)?***

A variety of sources of revenue are used by the shared ILS to pay annual operating costs. The two major sources of funds for shared ILS operations reported by the respondents are:

- Membership Revenues
- State Library System Aid

Table 34 lists the major sources of funding for shared ILS operation. In at least three cases, Library System Aid accounts for more than 50% of funds used for annual operating costs. Five shared ILS reported that more than 90% of the annual operating costs are funded by fees paid by member libraries. Since the State provides Library System Aid annually, it is interesting that several of the shared ILS did not indicate that some of that aid goes to the operation of the shared ILS. One reason for this is that some shared ILS may not be recording a specific allocation of that aid to the operation of the system. Member fees, especially when identified as annual membership fees, often pay for a broader range of services than simply the use of the shared ILS.

Primary Objective 3 asked: ***What are the different funding models used in each of the shared ILS?*** More specifically, the objective asked: ***How much of the cost is paid by the library consortium and how much is paid by library members of the shared ILS?***

Most of the shared ILS use a member-based model for funding where member libraries pay fees for participating in the shared ILS. There is a wide variation in the fees collected by the shared ILS. For example, Allen-Dietzman Public Library (Southwest Wisconsin Library System – Net Southwest) paid $1,469 in 2004. Madison Public Library (South Central Library System – LINK) paid over $500,000. In some cases, such as the Indianhead Federated Library System (MORE) and Northern Waters Library Service, the shared ILS offer credits to member libraries to reduce their overall annual fees.

Primary Objective 4 asked: ***What services are offered as part of the shared ILS?*** More specifically, the objective asked: ***What ILS modules are offered? What other services are offered (e.g., centralized cataloging, training)?***

Four vendors account for all shared ILS implementations, and with the recent merger of Sirsi and Dynix there are only three ILS vendors supplying products used in the shared ILS. Only three of the various functionalities are present in all shared ILS (i.e., cataloging, OPAC, and patron functions). Table 11 lists the functionality available and used by the various shared ILS. Some additional functionality and services provided through the shared ILS come from third-party vendors (e.g., enhanced data for online catalog).

During data collection, some respondents asked the study team what is meant by "shared ILS" in terms of the scope of costs to report. For the questionnaire to the member libraries, the study team was advised to use the term "shared library automation system" rather than the term "shared integrated library system" since member libraries might not know what shared ILS meant.

Lorcan Dempsey (OCLC Chief Strategist and Vice President for Research) suggests that the ILS itself manages a smaller part of overall library services now than in the past. While many services may be presented to the users through web interfaces that give the appearance that the users are engaging with a single system, from the perspective of librarians and managers of the shared ILS, it is important to differentiate and understand what is or is not part of the shared ILS. We take this idea up again in the section on recommendations and conclusions, and in the epilogue to this report.

Primary Objectives 5 and 6 asked a number of related questions that we addressed together: ***Is there an optimal size for a shared ILS, considering such factors as geographic area, including the impact on delivery services, collection size, number of participating libraries, ongoing maintenance and upgrades, staffing and related support services?***: ***Is it more efficient to have fewer (and thus larger) shared ILS?***: ***Is it feasible to have one large shared ILS for all public libraries in the state? Is it more cost effective to have multiple shared ILS but have them provided by a single vendor?***

To gauge opinions about the future of Wisconsin's shared ILS landscape, we solicited responses about several future scenarios. In addition, the questionnaires also asked respondents to indicate factors that should be taken in consideration when considering larger shared ILS implementations. In general, a majority of shared ILS operators (59%) supported reducing the number of shared ILS, but only 41% supported the idea that the State should have as a priority the implementation of a single, statewide shared ILS.

Table 30 presents the factors identified by the shared ILS operators regarding optimal size of a shared ILS. There are a range of responses and the factors listed can serve as a way of framing the necessary discussions by the Division, shared ILS operators, and member libraries for future realignment of the Wisconsin shared ILS landscape. Workable and acceptable responses to those factors can be developed, but the outcome will depend on open discussion and consensus building.

While the factors related to optimal size have been identified from the data collected, issues of feasibility and efficiency are more problematic. The results of the focus group sessions reported in Section 12 suggest that there are no performance or other outputs or outcomes measures that are being used to assess the shared ILS. Without such measures, it is difficult if not impossible to determine the efficiencies or cost-effectiveness of individual shared ILS. Yet the shared ILS operators and the member libraries have identified many positive benefits of shared ILS.

Secondary Objective 1 asked: ***What are the advantages and disadvantages of multitype shared ILS?*** More specifically, the objective asked: ***What are the impediments to multitype shared ILS? Is joining a shared ILS cost effective for other types of libraries, especially school media centers?***

Membership of the shared ILS consists predominantly of public libraries. Of the 17 shared ILS responding, 41% indicated that membership was restricted to public libraries; in the case of Outagamie Waupaca Library System, the shared ILS is available to school/public libraries. While 59% of the respondents indicated that they allow membership to other types of libraries, very few have members other than public libraries.

Operators of shared ILS and members of shared ILS had varying positions on whether, in the context of a statewide shared ILS system, membership should be open to all types of libraries. Responses from the shared ILS operators reveal the same percentage (36%) *agreeing* or *strongly agreeing* as those *disagreeing* or *strongly disagreeing* with the statement: "In such a statewide Wisconsin shared ILS system, membership should be open to all types of libraries." Nearly one-third of the respondents were neutral on the statement. The 78 individual libraries that responded to the same statement also reflected a range of attitudes towards opening a statewide shared ILS to all types of libraries.

Discussions during the focus groups revealed significant differences of opinions regarding expansion of shared ILS membership to other types of libraries, especially school libraries. There were a number of strong views both pro and con for having schools as members of their ILS. Some thought the involvement of schools might reduce overall costs for the ILS and others did not. Still others thought it might simply expand the work-load and provide few benefits to other members. Given the concerns reflected in the focus group discussions about net borrowers/lenders, the inclusion of school libraries in shared ILS may further exacerbate differing views of how best to solve the net lender and borrower issues. No consensus was reached on the advisability of involving schools in an ILS or not; situational factors may make it beneficial for some but not all shared ILS to involve school libraries as members.

We assume that a key objective of the Wisconsin shared ILS is to support resource sharing among libraries in the state. The shared ILS makes visible the holdings of libraries, which then make those holdings available for sharing. The State as well as the individual shared ILS need to determine if the holdings of other types of libraries within a library system, especially school libraries, are critical resources that should be made visible for the sake of resource sharing. If the determination is positive, then the State and the shared ILS can design appropriate mechanisms for making those holdings visible through the shared ILS.

Finally, given the current dominance of public libraries in a shared ILS, a broad expansion of members from other types of libraries may bring new organizational and governance challenges to the shared ILS. Serious consideration of the different missions and activities of public and school libraries (and special libraries as well if they are to be considered for membership) must be examined and discussed with all stakeholders to identify whether multitype shared ILS can serve the needs of the different types of libraries at a level required by the libraries.

Secondary Objective 2 asked: **How has shared ILS impacted regional resource sharing with other types of libraries?** More specifically, the objective asked: **Has it benefited other types of libraries, or has it isolated or locked out other types of libraries?**

The current membership of the existing shared ILS consists almost entirely of public libraries. The benefits of a predominantly single-type shared ILS likely reflect the needs and missions of the public libraries in terms of resource sharing and bibliographic control. However, searching of the shared ILS catalog is available to any library in the state, and thus one can assume that other types of libraries may discover resources available in public libraries that they can access. But that access would need to be through a public library rather than being able to place a hold directly or request the delivery of an item through the shared ILS.

Secondary Objective 3 asked: **What is the governance structure of shared ILS?** More specifically, the objective asked: **Are some restricted to only public libraries?**

While this objective asked about the governance *structure* of shared ILS, the study team discovered that there are various *structures* in place for the governance and administration of the shared ILS. These structures, we believe, reflect different organizational and ownership arrangements for the shared ILS, particularly the central site facility. Documents provided by the shared ILS typically revealed a member-based approach for decision-making and governance. In some cases, representatives of the members constitute the governing body for the administration of the shared ILS, but in other cases, representatives of the members serve in an advisory capacity. As with any member-based organization, representatives of the members have additional responsibilities in the form of committees and meetings to govern and make decisions. The participants generally approved, however, of a consensus-based method for decision-making affecting the operation and management of the shared ILS.

A number of other important findings resulted from the various data collection activities that should be considered:

- Data from the survey show 87% of shared ILS member respondents have *very high* or *high* satisfaction with the shared ILS that they use, and 61% of respondents assessed their satisfaction with technical support as *very high* or *high*. Overall shared ILS participants believe there are numerous benefits resulting from participation in the shared ILS. The number and scope of the benefits are significant.
- Library systems have a statutory obligation to facilitate resource sharing. The Division has a longstanding commitment to resource sharing, and Wisconsin is consistently ranked first or second in the country in per capita interlibrary loan. To support this commitment the Division has allocated $3.25 million since 1997 in federal LSTA funds to assist libraries to join shared ILS.
- The most frequently mentioned recommendation by participants in the focus groups was that the state needed to better support library systems with additional funding.

The results and findings from this investigation led to a set of actionable recommendations and next steps to improve the Wisconsin shared ILS.

Recommendations

Based on the results and findings of the study, we offer the following recommendations:

- **Establish System of Performance and Outcome Measures:** While a number of shared ILS have clear purpose statements, little effort is apparent in measuring the extent to which the shared ILS are meeting stated or implied goals and objectives. Performance and outcome measures are methods by which the shared ILS can assess the extent to which they are meeting or exceeding goals and objectives. Such measures are important to not only understand whether the shared ILS is doing what is intended but also as a way to provide data to assess the costs and benefits of the shared ILS. Participants in the focus groups agreed that it was unclear what measures should be developed to assess the costs, quality, impact, and outcomes from the shared ILS. Although participants proposed some possible measures, the issue requires additional thought and study. Performance and outcome based measures for the ILS should come from an agreed upon set of goals, objectives, and intended outcomes. There was wide agreement among participants that such measures should be agreed upon and used, and that the participants want to assist in establishing these measures. Therefore, a logical next step is to develop a process to create practical and useful performance and outcome measures for the shared ILS.

- **Develop Online Reporting Procedures for Costs and other Aspects of the Shared ILS:** The resources for the study limited the collection of data to a single year period. Any snapshot may be skewed because of one-time anomalies. For effective oversight of the shared ILS by the Division, a system that allows efficient collection of cost and revenue data related to the shared ILS is needed. Two key factors will need to be considered prior to setting up such a data collection system:

    o The capability of the shared ILS operators to record data at the necessary level
    o An agreement on a standard accounting practice that enables the recording of comparable cost and revenue data elements.

    Standardizing the component costs for each of the shared ILS to use in recording data will assist the shared ILS operators in accounting for all possible costs related to the operation, and will also provide comparable data. This study identified a range of cost categories that appeared to be useful for collecting the data and can serve as a basis for refining the list of expenses related to operating and participating in a shared ILS. The Division, however, should consider the development of a standard reporting mechanism for collecting accurate cost data for the operation of the shared ILS. Given the development of the cost categories used in the survey and the lessons learned by this experience, a revised set of cost categories, definitions, and procedures should be developed so that systems and member libraries can regularly report – perhaps in an online format – costs related to the shared ILS.

    A web-based system for the collection and reporting of cost data could easily be implemented. Optimally other data would also be collected to provide context to the cost and revenue data such as number of circulation transactions, number of member libraries, number of holdings, etc.

- **Standardize Functionality of Shared ILS:** The data collected in this study show a range of shared ILS functionality available to member libraries and used by those libraries. Expectations are increasing for enhanced functionality that might be offered by the shared ILS. ILS vendors are continuing to expand the functionality available. The integrated library system, however, is

just one tool among many that people use to find relevant information. The epilogue to this report discusses ideas related to this fact and suggests that the Division and the operators of the shared ILS may want to review the role of the shared ILS, and specifically, the online catalog component, in the broader information discovery and access landscape. The Division may want to consider developing a list of core functionality elements for a shared ILS to guide the purchase of new shared ILS products. If Wisconsin continues to have multiple shared ILS operating, it is advisable that the products chosen provide a common core set of functions, features, and services so that library patrons wherever they live benefit from similar services. Such a common core does not exclude the possibility for an ILS to also incorporate functionality elements that are especially appropriate for local situations and considerations.

- **Offer Rewards and Incentives:** The Division may wish to consider establishing a range of rewards and incentives to further promote the shared ILS. The sense of the focus group participants was not that they required *huge* rewards; rather, they would simply like to be recognized for making this contribution to the State. Other incentives (e.g., competitive cash awards) might be offered to encourage systems to improve overall shared ILS productivity, for successful management of costs and related expenditures, and for innovative services provided through the shared ILS.

- **Costs and Benefits of School Membership:** The Wisconsin shared ILS that were the focus of this study are predominantly public library systems, and membership in these shared ILS consists primarily of public libraries. In the focus groups, there was a wide range of views on the appropriateness of expanding shared ILS membership to school libraries and media centers. The focus group discussions surfaced considerable differences of assumptions regarding costs, benefits, and appropriateness of schools being members. If the Division determines that shared ILS should bring in more school libraries, it will want to identify and explore the factors that affect the success of the shared ILS if school libraries do become members. It is likely that there are factors that cut across all systems as well as factors that may be unique to a particular system. Nonetheless, it is clear that the costs and benefits of school membership are not well understood.

Next Steps to Improve Shared ILS

The Division staff may want to consider the following approaches for the future development of shared ILS.

- Conduct open discussion sessions in various parts of the State where shared ILS operators and members can discuss the findings of the study reported here. A significant amount of information has been collected and reported regarding the Wisconsin shared ILS landscape. A discussion of what the shared ILS operators and members think the data mean and the implications of the data for future shared ILS development may benefit all stakeholders.

- Clarify the existing goals and expected outcomes of the shared ILS, and determine the shared ILS priority given other Division and public library system initiatives. The Division could either propose goals, objectives, and expected outcomes or appoint a committee to tackle the task. Equally important is the need to agree on key statistics, performance measures, and reporting procedures to provide an ongoing assessment of the shared ILS.

The Division may then wish to issue a Request for Information (RFI) for consolidated regional ILS based on existing shared ILS or a statewide shared ILS. The RFI would identify a specific set of requirements and needs that a vendor would address in the design of a re-deployed statewide shared ILS or consolidated regional ILS based on existing shared ILS. Issuing such an RFI without first coming to grips with the goals, objectives, performance measures, benchmarks, and needed statistics/performance measures, however, is not likely to be productive. Thus, some thought will be required among Division staff and selected system operators and members to clarify the above prior to issuing such an RFI.

Future Issues and Prospects

There is clear evidence from this study that participants find the shared ILS to be a successful service that supports the goals of the Division, the systems, and member libraries. Moreover, the shared ILS delivers a range of information and other resources to the residents of Wisconsin that might not otherwise be available. Despite the wealth of data contained in this report, value judgments related to the costs, benefits, and impact of the shared ILS are difficult to make and can be best made by the residents of the State, the Division, the systems, and member libraries. While additional data that "values" the shared ILS or computes a return on investment (ROI) from the shared ILS from different stakeholder perspectives could be done in the future, such was outside the scope of the current study.

Nonetheless, a number of key issues remain that all stakeholders may wish to consider as the shared ILS environment evolves:

- Are the *total costs* for the shared ILS system acceptable given the perceived benefits and impacts for the various stakeholder groups?
- Are the *costs for individual stakeholder groups* (e.g., the State, the Division, the systems, and the member libraries) acceptable given the perceived benefits and impacts from the shared ILS?
- Given the existing costs for the shared ILS system, could a *replacement system* be established with either less costs or greater benefits?
- Can existing inefficiencies in the shared ILS be identified and reduced without limiting the quality of, and the satisfaction with, the current services?
- Do those systems that spend considerably more resources on the shared ILS than other systems also provide significantly increased quality of services?
- To what degree is the information technology of the existing systems upgradeable or appropriate for future shared ILS?
- Should the Division support the statewide shared ILS as opposed to using some of these resources to meet other needs?

The existing shared ILS environment in Wisconsin provides an excellent base for all participants to start a dialogue on the future evolution and development of shared ILS. An important role of the Division in this regard is to facilitate this dialogue, provide leadership during the discussion, participate in possible strategies and options for the future development of shared ILS, and assist in the planning and implementation of that next system - whatever that "next" system might be.

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1. Introduction

The networked information environment that has been emerging and evolving in the past decade offers libraries a new service provision context. This environment also presents new opportunities for resource sharing. Central to resource sharing and access to information is the integrated library systems (ILS). These systems not only assist local libraries in controlling their own collections but they offer possible economies of scale when multiple libraries cooperate in shared ILS. ILS modules such as global patron databases, circulation – as well as the traditional bibliographic database underlying an online catalog – offer users the means to discover and access materials held by libraries within a region or state.

The concept of an ILS continues to evolve, and new components may be added to the system. Defining exactly what an ILS is may be problematic. Lorcan Dempsey, Vice President and Chief Strategist at OCLC, posted "The integrated library system that isn't" in his weblog, *On Libraries, Services and Networks*, a selection from which follows:

> One can read the phrase *Integrated Library System* (ILS) in two ways: as a system for the *integrated library*, or as an *integrated system* for the library. Although the latter is what was probably meant by the term, neither is an accurate description of what the ILS has become. In fact, it is a misleading term whose continued use is bemusing. It is clear that the ILS manages a progressively smaller part of the library activity. There has been a real shift in emphasis towards e-resource management (see the metasearch/resolver/ERM/knowledgebase suite of tools), and in some cases towards digital asset management. Libraries now manage a patchwork of systems which do not always play well together.
>
> (http://orweblog.oclc.org/archives/000585.html February 22, 2005)

Shared systems allow individual library collections to be represented in a single system. With robust authentication and circulation modules, shared ILS member libraries and their patrons can more easily discover what other libraries' collections offer. Not only discovery is enhanced, but patron initiated holds (based on patron authentication information) can expedite access to and delivery of the discovered resources. Costs related to implementing, managing, and telecommunication access to the systems may be the responsibility of the consortium, the State, and possibly other sources, with different membership cost models involved.

Participation in shared integrated library systems by Wisconsin public libraries has steadily increased since the public libraries in Milwaukee County's regional library consortium implemented the first shared system in the late 1970s. By 2000, just 41% of the state's public libraries were in shared systems. This has increased substantially over the past several years, and by January 2004 the percentage of public libraries in shared systems had increased to 76% (294 libraries). Much of the increase in shared system participation since 2000 can be attributed to the availability of heavily subsidized data lines using the state's Universal Service fund. Also, over the past five years the Wisconsin Department of Public Instruction (the Department), and more specifically, the Division for Libraries, Technology, and Community Learning (the Division) awarded regional library consortia $1,285,000 in LSTA funds for start-up costs for public libraries to join shared automated systems.

The Division's LSTA Advisory Committee recommended a study to determine the costs of shared automated systems to have better data to inform its future decisions on funding and further development of shared integrated systems. Such cost information has value in future planning by the Division itself. The Division assumes that library consortia and their member libraries spend several million dollars annually in maintaining shared integrated systems, but more exact costs were not known.

The Division funded this cost analysis study to identify and understand the detailed costs for operating and managing the shared ILS, the costs to the Library Consortia and to the member libraries for services provided by the shared ILS. As in many shared ILS implementations, Wisconsin public libraries that belong to a shared ILS are charged for their participation and use of the shared ILS, but prior to this study, the Division did not have detailed information about the costs that are charged back to the member libraries nor what services are provided to those libraries from the shared ILS.

This study, conducted by William E. Moen, Ph.D., Networked Information Management Consultancy, and Charles R. McClure, Ph.D., Information Management Consultant Services, employed a multi-faceted methodology to gather and analyze relevant data that address primary (mandatory) objectives identified in the original Request for Proposal #PAE 0521 (the RFP):

1. Identify and document the actual annual costs of operating each shared ILS in the state including hardware, software, maintenance, upgrades/replacements and staffing at the system and local library levels.
2. Identify and document the costs of the shared ILS and related services (e.g., cataloging) and who bears which costs.
3. Identify and document the different funding models used in each of the shared ILS.
4. Develop a list of all services that are offered as part of the shared ILS.
5. Examine optimal sizes for shared ILS, considering such factors as geographic area, including the impact on delivery services, collection size, number of participating libraries, ongoing maintenance and upgrades, staffing and related support services.
6. Examine the effectiveness and efficiency for fewer (and thus larger) shared ILS.

In addition, the study addressed the RFP's secondary (optional) objectives:

1. Determine the advantages and disadvantages of multitype shared ILS.
2. Investigate the impact of shared ILS on regional resource sharing with other types of libraries.
3. Document the governance structure(s) of shared ILS.

This final report to the Division presents the results of the data collection and analyses carried out over an 12-month period, August 2005 through July 2006. The report consists of a narrative section and a set of appendixes. The narrative section provides:

- Information about the study
- Summary results of the data collection
- Analysis and synthesis of the data in the form of findings and explanations
- Recommendations and conclusions.

The appendixes present the detailed results from the data collection activities and support the summary results presented in the narrative section.

This study is a first step in identifying shared ILS costs and issues, and a number of factors may have affected the collection of data from both the systems and the member libraries. The study team attempted to control these factors through a number of techniques that were built into the study design. Nonetheless, the study relies primarily on self-reported data supplied by the shared ILS operators and member libraries. As a result of a various data checking techniques, the study team believes that the accuracy, reliability, and validity of the data and findings are high. Nonetheless, important lessons have been learned by all participants that can increase the quality of the study when it is done again in the future.

2. Study Goals and Objectives

The overall goal of the study was to identify and document the costs related to the operation of and participation in Wisconsin public library shared integrated library systems (shared ILS). The RFP identified

a set of mandatory and optional objectives to be addressed in the study. To set the context for this report, we list these objectives here and indicate the study methods that addressed each. A later section of this report provides responses to the objectives based the data collected and analyzed.

Terminology presents some challenges when discussing Wisconsin public library systems and the shared ILS. Before describing the study objectives, it is useful to characterize what the study was addressing and to introduce terminology used in this report. A Wisconsin public library system comprises a set of public libraries within a region of the state. There are seventeen public library systems operating in Wisconsin. Many of these public library systems operate one or more shared ILS for their member libraries. Two of the seventeen public library systems do not operate a shared ILS (i.e., Arrowhead Library System and Nicolet Federated Library System). In the case of Arrowhead, many of its member libraries have stand-alone automation systems and the system is actively planning to implement a shared ILS in late 2006 or early 2007. In the case of Nicolet, all of its member libraries use the shared system operated by the Outagamie Waupaca Library System.

At the time of the study, eighteen shared ILS were operational, serving approximately 300 public libraries. In at least one case, a shared ILS is operated by a public library (i.e., Waukesha Public Library) and not by a public library system. In two cases, at the time of the study, there were multiple shared ILS serving members of a single public library system (e.g., Indianhead Federated Library System and Mid-Wisconsin Federated Library System). Further, Lakeshores Library System's shared ILS had members from a subset of Mid-Wisconsin Federated Library System libraries. During the study, three shared ILS made a commitment to discontinue operation, and those shared ILS member libraries were moving to another existing shared ILS. By the end of 2006 or early 2007, current plans call for only fifteen shared ILS operating to serve Wisconsin public libraries. Section 4 of the report provides additional details about the shared ILS and public library systems.

2.1. Primary Objectives

There were six primary study objectives; these were mandatory objectives to be addressed by the study.

2.1.1. Primary Objective 1

This objective asked: ***What are the actual annual costs of operating each shared ILS in the state including hardware, software, maintenance, upgrades/replacements and staffing at the system and local library levels?***

The study team collected data related to this objective primarily through the use of a survey instrument sent to all organizations that operate a shared ILS. Appendix A contains a copy of this survey instrument: *Shared Integrated Library System (ILS) Operating Expenses and Revenue Questionnaire*.

To collect costs from the local libraries that participate in a shared ILS, the study team developed a second survey instrument. This instrument was sent to a sample of the public libraries that are members of a shared ILS. Appendix B contains a copy of this survey questionnaire, *Shared Library Automation System Member Libraries Questionnaire*.

2.1.2. Primary Objective 2

This objective asked: ***Who pays for what costs of the shared ILS and related services (e.g., cataloging)?***

The questionnaires used to address Primary Objective 1 included questions to collect data specific to this question, including items such as:
- Total costs of the shared ILS
- Component costs of the shared ILS
- The related services available from the shared ILS or Library Consortium
- The costs related to those services
- The cost sharing formulas for the total costs, component costs, and services

The questionnaires used to address Primary Objective 1 included questions to collect data specific to these (or related) data points. There is, however, overlap in addressing this objective with Primary Objectives 3 and 4, which we address next.

2.1.3. Primary Objective 3

This objective asked: ***What are the different funding models used in each of the shared ILS?*** More specifically, the objective asked: ***How much of the cost is paid by the library consortium and how much is paid by library members of the shared ILS?***

The survey questionnaires discussed for Primary Objective 1 collected data about the cost-sharing and funding models used by each of Wisconsin's shared ILS.

2.1.4. Primary Objective 4

This objective asked: ***What services are offered as part of the shared ILS?*** More specifically, the objective asked: ***What ILS modules are offered? What other services are offered (e.g., centralized cataloging, training)?***

Data related to functionality were collected as part of the survey questionnaire administered to the shared ILS organizations.

2.1.5. Primary Objective 5

This objective asked: ***Is there an optimal size for a shared ILS, considering such factors as geographic area, including the impact on delivery services, collection size, number of participating libraries, ongoing maintenance and upgrades, staffing and related support services?***

To address this objective, the study team included questions in both questionnaires to collect data from the operators of the shared ILS and the member libraries that reflected their perceptions and values related to success factors for a shared ILS. In addition, focus groups held with conjunction with this study explored the issues and ideas for optimal size for a shared ILS.

2.1.6. Primary Objective 6

This objective asked: ***Is it more efficient to have fewer (and thus larger) shared ILS?*** More specifically, the objective asked: ***Is it feasible to have one large shared ILS for all public libraries in the state? Is it more cost effective to have multiple shared ILS but have them provided by a single vendor?***

Similar to Primary Objective 5, it was important to understand the perspectives of the shared ILS operators and the participating libraries. Data collected on the survey instruments and discussions in the focus groups provided information related to this objective.

2.2. Secondary Objectives

There were three secondary study objectives; these were optional in the RFP, but this study collected data to address these objectives.

2.2.1. Secondary Objective 1

This objective asked: ***What are the advantages and disadvantages of multitype shared ILS? (Almost all shared systems in the state are of a single type of library.)*** More specifically, the objective asked: ***What are the impediments to multitype shared ILS? Is joining a shared ILS cost effective for other types of libraries, especially school media centers?***

To address this objective, the study questionnaires as well as the focus groups collected data reflecting perceptions of shared ILS operators and participating libraries.

2.2.2. Secondary Objective 2

This objective asked: *How has shared ILS impacted regional resource sharing with other types of libraries?* More specifically, the objective asked: *Has it benefited other types of libraries, or has it isolated or locked out other types of libraries?*

The study questionnaires explored membership categories for the shared ILS to understand the availability of the shared ILS functions and services beyond the public libraries. The focus group sessions explored benefits and related issues.

2.2.3. Secondary Objective 3

This objective asked: *What is the governance structure of shared ILS?* More specifically, the objective asked: *Are some restricted to only public libraries?*

As part of the data collection for the study, information about governance structures and membership categories was requested from the operators of the shared ILS.

2.3. Additional Study Objectives

Cost data by themselves, however, do not always provide the complete story or sufficient information for planning and decisions. The study team proposed two additional objectives for the study to address broader contextual information and perspective on the cost data. The study team offered these objectives to enable the Division to better utilize the cost data compiled from this study and provide perspectives that may help the Division consider possible implications and opportunities based on the cost data for future shared ILS configurations.

2.3.1. Additional Objective 1

The study team addressed this objective by describing the broader context related to the deployment of shared ILS, including for example:

- Legislative Context
- Political Context
- Funding Context
- Technology Context

2.3.2. Additional Objective 2

For this objective, the study team intended to identify possible next steps for the State Library Agency to improve statewide resource sharing and access to information. The study team addressed this objective through both the questionnaires and the focus groups,

2.4. Importance of the Study

Conducting this study is an important first step to assist public library systems, operators of shared ILS, member libraries, and Division better understand and identify the costs that are associated with operating the shared ILS. Previous to this study such detailed data did not exist. The study is important also because it increased public librarians' knowledge and awareness of a range of issues related to the shared ILS and the costs associated with its operation. Finally, the study provides benchmark data that can be used as a basis for comparison in the future.

3. Study Methodology

This cost study used multiple methodologies to collect data related to the study objectives. Two survey instruments comprised the primary method for data collection. The study team also conducted a series of focus groups at the Wisconsin Library Association Annual Conference in October 2005. Throughout the

study, members of the study team also referred to background information and data provided by the Division. This section provides details about the study methodology.

3.1. Survey Questionnaires

The two survey instruments used to collect data for the **Shared Integrated Library System Cost Study** were:

- *Shared Integrated Library System (ILS) Operating Expenses & Revenues Questionnaire* (Appendix A)
- *Shared Library Automation System Member Libraries Questionnaire* (Appendix B)

The study team drafted versions of each questionnaire, which were then submitted to the Division for its review and comment. After the study team revised the draft questionnaires, each was sent to a small set of reviewers: directors of the shared ILS and directors of member libraries who participate in a shared ILS. Study team members received comments and suggestions for revisions to the draft questionnaires via email and telephone conversations. This iterative process involving the Division and individual directors of shared ILS and member libraries resulted in a final version of the questionnaires.

The study team sent the first questionnaire to the operators of the shared ILS systems and addressed the following categories of information:

- Library Information
- Vendor and ILS Product
- Functionality
- Current Usage & Capacity of Shared ILS
- Bibliographic Records Information
- Information Related to Membership in Shared ILS
- Future Scenarios for Wisconsin Shared ILS
- Costs Related to Operating the Shared ILS
- Funding the Operation and Maintenance of the Shared ILS

The study team sent the second questionnaire to individual libraries that are members of a shared ILS and addressed the following categories of information:

- Library Information
- Shared Library Automation System Information
- Shared Library Automation System Functionality and Services Received
- Benefits of Membership as Perceived by Library
- Future Scenarios for Wisconsin Shared Library Automation System
- Charges for Shared Library Automation System Participation
- Individual Library Costs to Participate in a Shared Library Automation System
- Revenues Used by Library to Participate in a Shared Library Automation System

3.1.1. Distribution and Response Rates for Shared Integrated Library System (ILS) Operating Expenses & Revenues Questionnaire

The *Shared Integrated Library System (ILS) Operating Expenses & Revenues Questionnaire* was distributed to all 18 shared ILS operating in Wisconsin. The response rate was 94% (N=17) with only one shared ILS, Mid-Wisconsin Federated Library System LAUNCH, not returning a completed questionnaire.

During the course of the study, three of the existing Mid-Wisconsin Federated Library System's shared ILS (i.e., BRIDGES, LAUNCH, and WACCOOL) decided to cease operation and merge into the Lakeshores shared ILS. The study team has included in the analysis some data from the BRIDGES and WACCOOL questionnaires, but specific cost data related to those shared ILS are not included in the analysis.

3.1.2. Distribution and Response Rates for Shared Library Automation System Member Libraries Questionnaire

As specified in the RFP, data related to costs and other information needed to be collected from a sample of public libraries that are members of a shared ILS. The RFP suggested sampling at least 2 libraries per shared ILS system. The study team proposed to the Division that a larger sample would result in better data, and agreement was reached on selecting the sample based on the population served of individual libraries. The source of data for population served was the 2004 Wisconsin Public Library Statistics.

The set of public libraries that participates in a shared ILS (approximately 300) shows dramatic variance in terms of population served. These libraries have populations served ranging from a low of 272 to a high of 595,777. Median population served is 5,410. Average population served is 14,958. To develop a stratified sample, the study team assigned the libraries, based on the population served, into categories. First, we calculated the average population served of all libraries. We then divided the total population of these libraries into 2 groups: those above the average and those below the average. The total number of libraries above the average is 79. The total number of libraries below the average is 226. We then calculated the average population served of these subgroups. This created a total of 4 subgroups. We then calculated the average population served of each of these 4 subgroups. The averages in these subgroups allowed us to develop a range of population served and resulted in 8 categories of population served. Figure 1 illustrates this process of taking averages.
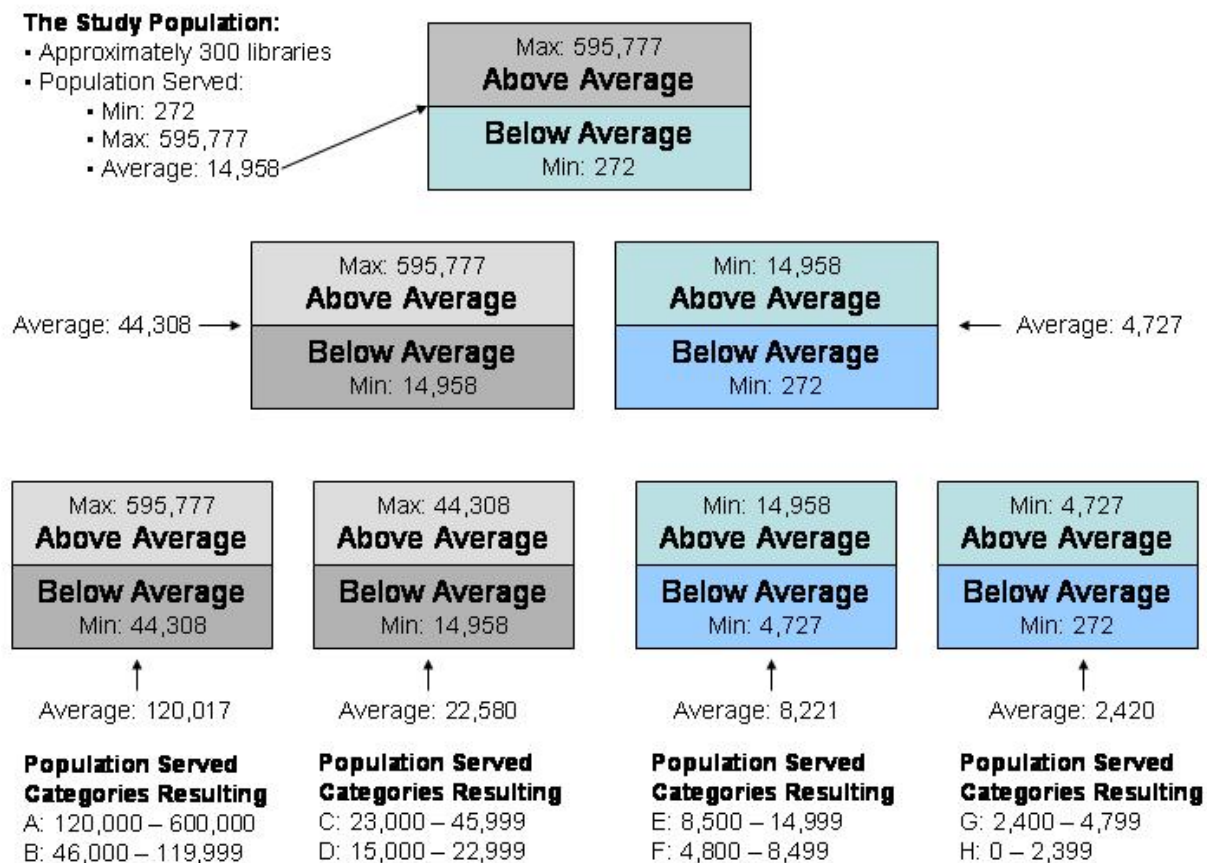
Figure 1. Calculating the Population Served Categories through Averages

Table 1 shows the resulting Population Served Categories used in this study and the distribution of libraries in each of the 8 categories.

Table 1. Categories and Distribution of Libraries in Population Served

Group Label	Population Served Range	Number of Libraries in Group
A	120,000 – 600,000	4
B	46,000 – 119,999	12
C	23,000 – 45,999	24
D	15,000 – 22,999	39
E	8,500 – 14,999	38
F	4,800 – 8,499	49
G	2,400 – 4,799	68
H	0 – 2,399	69

The study team assigned each library participating in a shared ILS to a category, and the team grouped these libraries by shared ILS. For selecting libraries to survey, we selected one library from each of the population served categories for each of the shared ILS. If there was more than one library in a population served category, one was selected using a random selection procedure. Table 2 is an example of how libraries were assigned to population served categories for each shared ILS.

Table 2. Shared ILS Libraries Assigned to Population Served Categories

System	Vendor	Population Served Categories								Grand Total	Number to Survey	% of Libraries to Survey
		A	B	C	D	E	F	G	H			
Eastern Shores Library System	Dynix		1	1	3	2	3	3		13	6	46%
Indianhead Federated Library System	Dynix				1	2	1	4		8	4	50%
Indianhead Federated Library System	Innovative		1	4	1	1	7	8	9	31	7	23%

A total of 101 libraries comprised the sample which received a questionnaire. Seventy-eight completed questionnaires were returned for a 77% response rate. Staff at shared ILS systems and the Division communicated with the individual libraries to encourage their participation. At least one library from every shared ILS returned a questionnaire. The 77% of the member libraries returning completed questionnaires can be considered a very good response rate for this questionnaire. Appendix C lists the libraries in each shared ILS, the libraries selected to receive a questionnaire, the libraries that returned a completed questionnaire.

3.2. Focus Groups

The study team conducted three focus groups at the Wisconsin Library Association Annual Conference in October 2005. The purpose of these sessions was to delve more deeply into ideas and issues related to the study from the perspective of the directors of the systems that operate a shared ILS, from the directors of public libraries that participate in a shared ILS, and from technology managers from those public libraries. Sessions were approximately 75 minutes in length, and given the time constraint the number of topics that could be covered was limited. More than 30 people attended the three sessions:

- Public library system technology manager's session: 9 participants
- Library system director's session: 16 participants
- Public library director's session: 9 participants.

Each focus group, in general, addressed the following topics; sample questions are listed to indicate the possible scope of each topic:

- *Costs and cost categories.* Did the types of cost categories on the survey make sense to respondents? Are there others not identified? Are costs for the shared ILS perceived to be too high, too low, about right? What elements should be included in a program budget?

- *Accountability*. To what degree are systems and libraries accountable for the allocations they receive to operate the shared ILS? To what degree *should* they be accountable? What procedures are in place at the system and library levels to track these costs? What are appropriate levels of accountability for the shared ILS and who is responsible for what types of information? How do system directors and library managers assess the usefulness of the various reporting forms?
- *Selected issues from the system survey*. Perceived benefits, weaknesses, problems, and issues with the existing shared ILS. What are the appropriate services and roles for the shared ILS? Role of politics in the development of the shared ILS?
- *How to improve the existing shared ILS*? Identify specific and realistic strategies that could improve the administration, daily operations, resource allocations, and other aspects of the shared ILS. Is there agreement on what exactly the components of a shared ILS are or should be?
- *Next steps*. What are the next steps in the development of the shared ILS? Is there a shared vision and set of goals for the development of the shared ILS over the next five years? Strengths and weaknesses in moving toward a statewide or larger regional-based system? Technological needs or upgrades? What are the political (or other) drivers that may affect the development of the shared ILS?

The study team used these general topics to structure and guide the discussion, but the sessions were flexible to allow other key topics to emerge. In addition, the study team attempted to discuss similar topics in all three groups so specific comparison of views could be assessed. This was particularly the case with the focus groups for the system directors and the public library directors. For the focus group with technology managers, the discussion focused initially on perceived strengths and weaknesses of the existing technology infrastructure that support that various shared ILS, scalability of the various systems, and the strengths and weaknesses of a statewide shared ILS from a technical point-of-view. Discussion of the topics listed above was also part of the session with the technology managers.

Two members of the study team participated in each session as facilitator and recorder. A member of the study team conducted an informal group discussion with representatives of the Division after the focus groups to obtain additional information and clarification of some topics and issues noted in the focus groups. After the focus group sessions, the study team developed summaries of each of the sessions and compiled a single report of the three focus group sessions. These results are discussed in a later section of this report.

3.3. Data Quality

The study team took a number of specific steps to ensure the reliability and validity of data collected and reported. As discussed above, the development of the questionnaire was an iterative process that included input and comments by the Division. The study team also conducted a pre-test of the two survey instruments by selected representatives of the systems and member libraries. The study team also distributed a preliminary draft of this final report that contained the results (both summary and detailed) to the Division and to directors of the shared ILS for review and comment.

Two important issues related to data quality are:

- Accuracy, appropriateness, and completeness of data reported by the operators of shared ILS and member libraries on their respective questionnaires
- Study team management of the data and its reporting.

Overall the respondents to the two questionnaires demonstrated a good faith effort in completing the questionnaires. However, it appears that not all shared ILS operations have uniform accounting practices in place for categorizing and tracking costs related to the shared ILS. For example, in some cost categories one shared ILS might report a large expense and another shared ILS might indicate that cost category was not applicable to its operation. In one case, a shared ILS could only provide 2005 data rather than 2004 data. One question that emerged concerned the scope of the shared ILS when

identifying costs associated with this operation: which are costs of operating a shared ILS distinct from other costs that might be affected by the existence of the shared ILS (e.g., reciprocal borrowing and delivery charges)? Similarly, revenues (e.g., membership fees) reported by the shared ILS often pay for services in addition to shared ILS services, and the shared ILS don't disaggregate those revenues as to the amount that covers only shared ILS services.

Variances in reported costs were also evident on the questionnaires completed by member libraries of a shared ILS. It appears that these libraries may not have uniform accounting practices in place for categorizing and tracking costs related to their participation in a shared ILS. The lack of comparable uniform accounting practices among systems and members may limit the accuracy of the data reported.

The study team relied on the data contained on the completed questionnaire, and readers of this report will want to keep in mind that cost data (as well as other information) were self-reported by the respondents on the questionnaires. No formal verification of the reported data was carried out (e.g., actually examining accounts and budgets of the shared ILS operations).

The other aspect of data quality rests with the study team. All data from the questionnaires were input into Excel spreadsheets for subsequent analyses. The study team summarized data into tables for this report's narrative and associated appendixes. We distributed a preliminary final report for review by the Division and the operators of the shared ILS. That review identified several concerns with or questions about the results. The study team then conducted another thorough review of the data reported, checking all data against the original completed questionnaires, and other sources of data that were used to ensure the accuracy of data presented in this final report.

4. An Overview of the Wisconsin Public Library Shared ILS Landscape

This study focused on shared ILS systems operated primarily for the benefit of the Wisconsin public libraries. This section provides an overview of these shared ILS systems and their operating organizations.

4.1. Public Library Systems

Wisconsin has seventeen public library systems (see Appendix D for a list of the systems, their addresses, and a map of their coverage). Table 3 summarizes the number of member libraries and their service populations for each of the public library systems.

Table 3. Number of Member Libraries and Total Service Population [1]

System	Number of Public Library Members	Municipal Population 2004	Additional Service Population	Total Service Population 2004
Arrowhead Library System	7	115,773	39,774	155,547
Eastern Shores Library System	13	153,045	47,367	200,412
Indianhead Federated Library System	57	235,002	202,996	437,998
Kenosha County Library System	2	117,602	38,480	156,082
Lakeshores Library System	15	143,391	134,295	277,686
Manitowoc-Calumet Library System	6	60,791	55,469	116,260
Mid-Wisconsin Federated Library System	28	186,842	118,393	305,235
Milwaukee County Federated Library System	15	935,323	4,142	939,465
Nicolet Federated Library System	15	384,220	39,117	423,337
Northern Waters Library Service	29	78,588	76,765	155,353
Outagamie Waupaca Library System	16	135,683	96,613	232,296

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[1] 2004 Wisconsin Public Library Data (preliminary) from http://dpi.wi.gov/pld/dm-lib-stat.html

System	Number of Public Library Members	Municipal Population 2004	Additional Service Population	Total Service Population 2004
South Central Library System	50	555,453	211,422	766,875
Southwest Wisconsin Library System	27	57,669	68,557	126,226
Waukesha County Federated Library System	16	286,653	86,719	373,372
Winding Rivers Library System	35	169,826	98,188	268,014
Winnefox Library System	30	199,013	118,544	317,557
Wisconsin Valley Library Service	26	199,543	81,697	281,240
Total	387	4,014,417	1,518,538	5,532,955

4.2. Public Library Systems and the Shared ILS

A total of 18 shared ILS systems serving Wisconsin public libraries were operational during the time of this study. All public library systems except two operate at least one shared ILS. Arrowhead Library System does not operate a shared ILS, although many of the libraries in that system have their own local automated library system. Nicolet Federated Library System does not operate a shared ILS, but libraries in that system are members of the shared ILS operated by the Outagamie Waupaca Library System. In some cases, there are two or more shared ILS operating within the boundaries of a public library system serving a set of libraries in those areas (e.g., Indianhead Federated Library System and Mid-Wisconsin Federated Library System). In some instances shared ILS membership includes libraries from more than one library system (e.g. the shared ILS operated by Lakeshores Library System has members from Mid-Wisconsin Federated Library System). In one case, the shared ILS system is operated by a public library and not the library system; this is the case with the shared ILS serving libraries in the Waukesha County Federated Library System. The shared ILS is operated by the Waukesha Public Library, not the Waukesha County Federated Library System. Table 4 lists the seventeen public library systems, the number of shared ILS serving libraries within the system (at the time the study data collection was conducted), the organization that operates the shared ILS, and the vendor of the shared ILS platform.

Table 4. Public Library Systems and Shared ILS

Public Library System	Number of Libraries in System [1]	Number of Shared ILS	Organization Operating the Shared ILS	Name of Shared ILS	Vendor of Shared ILS
Arrowhead Library System	7	0		None	
Eastern Shores Library System	13	1		EasiCat	Dynix
Indianhead Federated Library System	57	2		BCLIC (Bi-County Library Consortium)	Dynix
				MORE	Innovative
Kenosha County Library System	2	1		Kenosha Katalog	GEAC
Lakeshores Library System [2]	15	1		WAVE	Sirsi
Manitowoc-Calumet Library System	6	1		LARS (Library Automation Resources Sharing)	Dynix
Mid-Wisconsin Federated Library System	28	3		BRIDGES	Dynix
				LAUNCH	Dynix
				WACCOOL (Washington County Consortium of Online Libraries)	Dynix
Milwaukee Co. Federated Library	15	1		CountyCat	Innovative

Public Library System	Number of Libraries in System [1]	Number of Shared ILS	Organization Operating the Shared ILS	Name of Shared ILS	Vendor of Shared ILS
System					
Nicolet Federated Library System [3]	15	0		None	
Northern Waters Library Service	29	1		Merlin	Innovative
Outagamie Waupaca Library System	16	1		OWLSnet	GEAC
South Central Library System	50	1		Library Interchange Network (LINK) Consortium	Dynix
Southwest Wisconsin Library System	27	1		Net Southwest	Dynix
Waukesha Co. Federated Library System	16	1	Waukesha Public Library	Café--Catalog Access for Everyone	Sirsi
Winding Rivers Library System	35	1		WRLSWEB	Dynix
Winnefox Library System	30	1		WALS (Winnefox Automated Library Services Consortium)	Sirsi
Wisconsin Valley Library Service	26	1		V-Cat	Dynix

1   Source: 2004 Wisconsin Public Library Data (preliminary) from http://dpi.wi.gov/pld/dm-lib-stat.html
2   Some members of the shared ILS operated by Lakeshores Library System belong to the Mid-Wisconsin Federated Library System.
3   The libraries of the Nicolet Federated Library System use the shared ILS of the Outagamie Waupaca Library System.

During the time of this study, some important changes occurred in the makeup and number of shared ILS operating. By the end of the study, the three shared ILS operating for libraries in the Mid-Wisconsin Federated Library System decided to discontinue operation, and libraries being served by those shared ILS will join the shared ILS operated by Lakeshores Library System. The study team has included in the analysis some data from the BRIDGES and WACCOOL questionnaires, but specific cost data related to those shared ILS are not included in the analysis.

4.3. Size of Shared ILS

There are a number of perspectives and measures to describe the size of the shared ILS. For example, one can look at the number of member libraries, the size of population served, the number of records in the bibliographic database that powers the shared online catalog, the number of patrons listed in the patron databases, and other measures. This section reports data related to several of these measures of size.

4.3.1. Membership in the Shared ILS

The number of members in each shared ILS varies considerably. Some shared ILS have as few as two members, while others have over thirty. Table 5 shows the number of members of each shared ILS. The number is based on responses to Item 11 on the questionnaire sent to the operators of the shared ILS, and this generally reflects 2004 data (Appendix A contains the questionnaire). One shared ILS did not return a questionnaire. Appendix E contains a full list of the member libraries for each shared ILS. Several of the shared ILS offer different types of membership, and these are discussed in a subsequent section. The total number of libraries reported as members of shared ILS is 318, which is 82% of the 387 public libraries in Wisconsin. Table 3 lists the number of libraries in each public library system to compare with the number of members of each shared ILS in Table 5.

Table 5. Number of Members in Shared ILS

Shared ILS	Number of Members
Eastern Shores Library System – EasiCat [1]	15
Indianhead Federated Library System (Dynix) – BCLIC	9
Indianhead Federated Library System (Innovative) – MORE [2]	33
Kenosha County Library System – Kenosha Katalog	2
Lakeshores Library System – WAVE	24
Manitowoc-Calumet Library System – LARS	6
Mid-Wisconsin Federated Library System – BRIDGES	3
Mid-Wisconsin Federated Library System – LAUNCH	[No response]
Mid-Wisconsin Federated Library System – WACCOOL	5
Milwaukee County Federated Library System – CountyCat	15
Northern Waters Library Service – Merlin	22
Outagamie Waupaca Library System – OWLSnet [3]	30
South Central Library System – LINK	39
Southwest Wisconsin Library System – Net Southwest	26
Waukesha Public Library – Café	14
Winding Rivers Library System – WRLSWEB	27
Winnefox Library System – WALS	26
Wisconsin Valley Library Service – V-Cat	21
Total Members in All Shared ILS	**317**

1   Includes one non-public library and one bookmobile listed as members
2   Includes one non-public library listed as member
3   Members include 16 from Outagamie Waupaca Library System and 14 from Nicolet Federated Library System

The membership of the shared ILS is predominantly public libraries. Seven of the seventeen respondents (41%) indicated that membership was restricted only to public libraries; in the case of Outagamie Waupaca Library System, the shared ILS is available to school/public libraries. However, ten of the seventeen respondents (59%) indicate that they allow membership to other types of libraries. In those shared ILS that offer membership to other types of libraries, very few have members beyond public libraries (see Appendix E for the list of libraries that are members of the share ILS) Table 6 shows individual shared ILS that do not restrict membership and types of libraries are allowed full membership in the systems.

Table 6. Types of Libraries Allowed As Members of Shared ILS

Shared ILS	K-12	Academic Libraries	Special Libraries	Other (list types)
Eastern Shores Library System – EasiCat	X	X	X	
Indianhead Federated Library System (Dynix) – BCLIC	X	X	X	
Indianhead Federated Library System (Innovative) – MORE	X	X	X	
Lakeshores Library System – WAVE	X			
Manitowoc-Calumet Library System – LARS [1]	X	X	X	
Northern Waters Library Service – Merlin	X			
Waukesha Public Library – Café	X	X	X	
Winding Rivers Library System – WRLSWEB	X	X	X	
Winnefox Library System – WALS	X	X	X	
Wisconsin Valley Library Service – V-Cat	X	X	X	

1   Manitowoc-Calumet Library System participates as an agency in the shared ILS and any type of library can be considered for membership.

4.3.2. Number of Patrons in Patron Database

One measure of the size of the shared ILS is the number of patrons in the patron database. Table 7 shows these data in order of decreasing number of patrons listed in the patron databases of the shared ILS. The largest number of patrons is in the Milwaukee County Federated Library System with 528,000, and the least number is in the Mid-Wisconsin Federated Library System BRIDGES with just under 30,000 patrons. The average number of patrons of the shared ILS is 149,190 patrons.

Table 7. Size of Shared ILS Patron Database

Shared ILS	Number of Patrons in Patron Database
Milwaukee County Federated Library System – CountyCat	528,000
South Central Library System – LINK	394,485
Outagamie Waupaca Library System – OWLSnet	246,435
Waukesha Public Library – Café	231,816
Winnefox Library System – WALS	220,000
Lakeshores Library System – WAVE	168,866
Indianhead Federated Library System (Innovative) – MORE	158,379
Winding Rivers Library System – WRLSWEB	150,700
Eastern Shores Library System – EasiCat	135,269
Mid-Wisconsin Federated Library System -- WACCOOL	108,529
Kenosha County Library System – Kenosha Katalog	82,682
Northern Waters Library Service – Merlin	74,600
Manitowoc-Calumet Library System – LARS	72,384
Wisconsin Valley Library Service – V-Cat	71,700
Southwest Wisconsin Library System – Net Southwest	58,547
Indianhead Federated Library System (Dynix) – BCLIC	35,787
Mid-Wisconsin Federated Library System – BRIDGES	29,871

Table 7 can be compared with the population served for each of the member libraries to present an estimate of the coverage of these shared ILS for the potential population of patrons. Table 8 presents information about the service population of the public library system, but more importantly, it shows the total service population of the libraries that are members of each shared ILS. That total is compared with the number of records in the patron database to indicate the extent of coverage of the shared ILS with the potential set of patrons that could use the system. Overall, the shared ILS have 50% or more of the potential population served as reflected in the number of records in the patron database.

**Table 8. Coverage of Shared ILS Represented by Patron Database
Compared with Population Served**

Shared ILS	Total Service Population for the Public Library System [1]	Population Served by Shared ILS Member Libraries	Number of Patrons in Patron Database	% of Population Served (by member libraries) Represented in Patron Database
Eastern Shores Library System – EasiCat	200,412	200,412	135,269	68%
Indianhead Federated Library System (Dynix) – BCLIC	437,998	61,492	35,787	58%
Indianhead Federated Library System (Innovative) – MORE		320,581	158,379	49%
Kenosha County Library System – Kenosha Katalog	156,082	156,082	82,682	53%
Lakeshores Library System – WAVE	277,686	307,186 [2]	168,866	55%
Manitowoc-Calumet Library System – LARS	116,260	116,260	72,384	62%
Mid-Wisconsin Federated Library System – BRIDGES	305,235	35,698	29,871	84%
Mid-Wisconsin Federated Library System – LAUNCH				
Mid-Wisconsin Federated Library System – WACCOOL		123,679	108,529	88%
Milwaukee County Federated Library System – CountyCat	939,465	939,463	528,000	56%
Northern Waters Library Service – Merlin	155,353	131,381	74,600	57%
Outagamie Waupaca Library System – OWLSnet (Outagamie and Nicolet figures)	232,296	232,297	246,435	59%
	423,337	186,811		
South Central Library System – LINK	766,875	631,874	394,485	62%
Southwest Wisconsin Library System – Net Southwest	126,226	119,641	58,547	49%
Waukesha Public Library – Café	373,372	300,500	231,816	77%
Winding Rivers Library System – WRLSWEB	268,014	181,658	150,700	83%
Winnefox Library System – WALS	317,557	307,210	220,000	72%
Wisconsin Valley Library Service – V-Cat	281,240	134,833	71,700	53%

1   Source: 2004 Wisconsin Public Library Data (preliminary)
2   The Lakeshores shared ILS had 8 member libraries from the Mid-Wisconsin Federated Library System, and the population served by those additional libraries are included in this figure.

4.3.3. Number of Records in Bibliographic Database

Another measure for shared ILS relates to the number of bibliographic and item records within the system's bibliographic database. Table 9 presents these numbers (in order of decreasing number of bibliographic records). Again, the numbers indicate a wide variation in the size of the database as well as the number of holdings being made visible to member libraries and their patrons through the shared ILS.

Table 9. Bibliographic Records and Item Records in Shared ILS Database

Shared ILS	Number of Bibliographic Records	Number of Item Records
Milwaukee County Federated Library System – CountyCat	1,566,600	4,712,400
South Central Library System – LINK	747,700	2,871,600
Outagamie Waupaca Library System – OWLSnet (Outagamie and Nicolet figures)	618,700	1,621,200
Waukesha Public Library – Café	606,259	1,452,880
Eastern Shores Library System – EasiCat	572,300	1,188,200
Lakeshores Library System – WAVE	550,000	1,000,000
Winnefox Library System – WALS	537,000	1,701,000
Indianhead Federated Library System (Innovative) – MORE	482,500	1,221,400
Northern Waters Library Service – Merlin	360,600	700,900
Manitowoc-Calumet Library System – LARS	349,307	557,082
Wisconsin Valley Library Service – V-Cat	326,800	660,500
Mid-Wisconsin Federated Library System – WACCOOL	305,200	525,000
Winding Rivers Library System – WRLSWEB	271,800	724,100
Kenosha County Library System – Kenosha Katalog	271,300	819,000
Southwest Wisconsin Library System – Net Southwest	237,600	491,200
Indianhead Federated Library System (Dynix) – BCLIC	147,900	235,900
Mid-Wisconsin Federated Library System – BRIDGES	129,800	171,900

Item records are assumed to reflect the holdings of the individual libraries that are members of a shared ILS. Shared ILS operators reported the extent of the participating members' holdings that are represented in the shared database. Table 10 reports this percentage. For the most part, the shared ILS report a high percentage of participating member library holdings represented, and thereby made visible to other libraries through the shared database. Member libraries were also asked to estimate the percent of their holdings represented in the shared ILS database, and Appendix F contains the reported percentages. There is general agreement between the sample of member libraries' estimates with the estimate from the operators of the shared ILS.

Table 10. Percent of Member Libraries' Holdings in Shared Database

Shared ILS	Percent of Member Libraries' Holdings in Shared Database
Eastern Shores Library System – EasiCat	99%
Indianhead Federated Library System (Dynix) – BCLIC	80%
Indianhead Federated Library System (Innovative) – MORE	99%
Kenosha County Library System – Kenosha Katalog	30%
Lakeshores Library System – WAVE	95%
Manitowoc-Calumet Library System – LARS	98%
Mid-Wisconsin Federated Library System – BRIDGES	100%
Mid-Wisconsin Federated Library System – WACCOOL	60%
Milwaukee County Federated Library System – CountyCat	95-100%
Northern Waters Library Service – Merlin	80%
Outagamie Waupaca Library System – OWLSnet	99%
South Central Library System – LINK	99%

Shared ILS	Percent of Member Libraries' Holdings in Shared Database
Southwest Wisconsin Library System – Net Southwest	90-95%
Waukesha Public Library – Café	No answer provided
Winding Rivers Library System – WRLSWEB	No answer provided
Winnefox Library System – WALS	99%
Wisconsin Valley Library Service – V-Cat	99.9%

4.4. Summary

This section presented a broad-brush perspective on the Wisconsin public library systems and the shared ILS landscape. Quantitative information based on the data from the 17 shared ILS operators and the 78 shared ILS member libraries and the Wisconsin Public Library Statistics have been presented. Overall, these data suggest a wide degree of variability across the systems in terms of population served, size of the shared ILS, number of records in the database, and other factors. Some of these quantitative data will be revisited in subsequent analyses. Before exploring those analyses, it is necessary to examine other characteristics of the shared ILS.

5. Vendor Products Used in the Shared ILS

Data reported by the operators of the shared ILS indicate 4 vendors supply products for the 17 shared ILS. The following lists the vendor and the number of installations in shared ILS (Table 2 above shows which shared ILS uses the vendor products):

- Dynix – 9 installations
- Innovative Interfaces – 3 installations
- Sirsi – 3 installations
- GEAC – 2 installations

Appendix G lists the product name and version for each shared ILS.

This is a dynamic time for the vendors of shared ILS products as well as for the Wisconsin library systems and their shared ILS. Recently, Sirsi and Dynix merged. In an earlier merger of Sirsi and DRA, the latter's customers were offered an opportunity to move to a Sirsi product since DRA platforms would not be supported or further developed after a certain point. It is not clear what the future holds for Dynix customers with the recent merger.

In addition, as noted previously, three Mid-Wisconsin Federated Library System's shared ILS are being discontinued, and during the latter half of 2006 and early 2007 the participating libraries will be joining the Lakeshores Library System's shared ILS. The consultants are also aware that the Outagamie Waupaca Library System shared ILS (OWLSnet) is moving from its GEAC product to an Innovative Interfaces product.

The information in the following sections reflect data collected via the questionnaires completed by the operators of the shared ILS as of fall 2005, and do not reflect more recent reorganizations of the shared ILS.

5.1. Current Functionality and Services Provided by Shared ILS

The functionality provided by currently (fall 2005) implemented shared ILS indicates some widely used modules of the shared ILS such as OPAC, patron functions, cataloging, authority control, circulation, hold placement, and patron database. These functions are implemented in nearly all or all of the systems. Table 11 summarizes the functionality and shows the number of shared ILS that have the functionality implemented. It is interesting to note that only 3 functionalities are present in all shared ILS. Although the study team worked with reviewers of the questionnaire to assign the most appropriate label to each of the functions, respondents may have employed different definitions or understanding of the function (e.g., circulation and hold placement). Appendix H presents functionality available in each of the shared ILS.

Table 11. Shared ILS Functionality Available in Individual Systems

Functionality	N & %	Yes	No	Total
Acquisition	N	12	5	17
	%	71%	29%	100%
Authority control	N	15	2	17
	%	88%	12%	100%
Cataloging	N	17	0	17
	%	100%	0%	100%
Circulation	N	16	1	17
	%	94%	6%	100%
Community information/resources	N	9	8	17
	%	53%	47%	100%
Course reserves/ Reserve Room	N	1	16	17
	%	1%	94%	100%
Federated search	N	1	16	17
	%	1%	94%	100%
Hold placement	N	15	2	17
	%	88%	12%	100%
Interaction with other ILS systems	N	4	13	17
	%	24%	76%	100%
Inventory control	N	11	6	17
	%	65%	35%	100%
NISO circulation protocol	N	2	15	17
	%	12%	88%	100%
OPAC	N	17	0	17
	%	100%	0%	100%
Patron database	N	16	1	17
	%	94%	6%	100%
Patron functions	N	17	0	17
	%	100%	0%	100%
Remote patron authentication	N	10	7	17
	%	59%	41%	100%
Serials	N	10	7	17
	%	59%	41%	100%
3M standard (SIP)	N	11	6	17
	%	65%	35%	100%
Z39.50 client	N	12	5	17
	%	71%	29%	100%
Z39.50 server	N	12	5	17
	%	71%	29%	100%

Shared ILS operators also identified additional functionality and service offered through the shared ILS (beyond the standard list of functionality listed in Table 11). Some of this functionality may be provided through third-party vendors, but offered through the shared ILS. Table 12 summarizes the additional functionality available as reported by the shared ILS operators on their questionnaires. This information can be useful for operators of the shared ILS to know what other shared ILS provide. Specific product information or functionality was self-reported by the shared ILS operators.

Table 12. Additional Functionality Offered through Shared ILS

Shared ILS	Additional Functionality Offered through Shared ILS
Eastern Shores Library System – EasiCat	• **Horizon – Media Scheduling: For scheduling rooms and multimedia kits;** • **Horizon – PC Reliance: Offline circulation module;** • **Horizon – Telephone messaging: Automatically calls patrons about holds** • **Syndetics: enhanced data for online catalog**
Indianhead Federated Library System (Dynix) – BCLIC	**None listed**
Indianhead Federated Library System (Innovative) – MORE	• **Pharos and 3M PAMS: Manage Patron access to the Internet (for some libraries)**
Kenosha County Library System – Kenosha Katalog	• **Cognos Report Writing System;** • **envisionWare PC Reservation;** • **NetLibrary (eBooks)**
Lakeshores Library System – WAVE	• **Envisionware, VendPrint (2 members)**
Manitowoc-Calumet Library	• **Debt collect (collection agency).**

Shared ILS	Additional Functionality Offered through Shared ILS
System – LARS	- Homebound module. - Enhanced content in OPAC. - Smart Access Manager (SAM). - NetLibrary - Overdrive.
Mid-Wisconsin Federated Library System – BRIDGES	Bestseller content info is purchased from a third party but through Dynix
Mid-Wisconsin Federated Library System – WACCOOL	- Homebound - URSA - T-1Lines (Teach) - Internet (Alexssa-HNET) - iPAC - PC Reliance - DialPac,WebPac - MARC Magician (3rd party) - Pac4Windows - Cat4Windows - BookWhere (3rd party).
Milwaukee County Federated Library System – CountyCat	- WebBridge – contextual searching of databases which relate to content of bib record - File Transfer Software - Electronic Ordering - Electronic Claiming of Serials - Web Management Reports - Web Access Management (Proxy Server) - Telephone Notification for Holds - Telephone Renewal - E-Mail Notices for Holds/Overdues - Consortium Management Extensions - Patron API
Northern Waters Library Service – Merlin	Patron API – Patron authentication for use with Pharos Internet management software
Outagamie Waupaca Library System – OWLSnet	- New Materials Database: This feature allows patrons to browse new acquisitions by library and material type. Titles are linked to OPAC so patrons can place a hold. The feature was locally developed. - Magazine and Newspaper Finder: This feature allows patrons to search for periodicals by keyword, title, or subject. Search results link to the OPAC, the state-provided databases (BadgerLink), or consortium provided databases (primarily from Gale). This feature was locally developed. - Label Printing: Module to print labels for new materials. Locally developed product that interacts with the Geac Plus cataloging module.
South Central Library System – LINK	- Recall Report Writer, - Notices delivered via email & TeleCirc II automated phone messages - PC Reliance - Homebound - Receipt Printer - Debt Collect (Collection Agency) - Enriched Content for iPAC - WebCheck - Newspaper Indexes - Charging Agency (items loaned with charging library's rules not owning library's rules) Third-party vendor: Serials Solutions (MARC records for e-journals) In-house programming: remote patron authentication
Southwest Wisconsin Library System – Net Southwest	- Easy Ask - ReportSmith 3. 0
Waukesha Public Library – Café	- Additional OPAC content - Self Check – 3M - SIPII Patron Authentication for 3rd party software -- Envisionware
Winding Rivers Library System – WRLSWEB	- High speed Internet access (3rd party) - Telecirc - Debt Collect (3rd party – available only for central site) - SQL-EasyAsk-Report Smith (3rd party)
Winnefox Library System – WALS	Collection Agency software (Sirsi interface, Third Party with Unique Management)

Shared ILS	Additional Functionality Offered through Shared ILS
	• **EDI and 9xx for electronic ordering** • **EZProxy for remote patron authentication (Third party)** • **Public PC management (Pharos) (Third Party)** • **3M Selfcharge (Sirsi interface, Third Party)**
Wisconsin Valley Library Service – V-Cat	• **Enhanced OPAC from Syndetics purchased through SirsiDynix.**

5.2. Shared ILS Functionality Used by Member Libraries

The questionnaire requested member libraries to describe the shared ILS functionality and services they use. Table 13 presents the summary statistics for the responses. OPAC, circulation, cataloging, hold placement via remote access, hold placement, and patron account access are all used by 95% or more of the member libraries responding.

Table 13. Functionality Used by Member Libraries

Functionality Used by Member Libraries	N & %	Yes	No	Total
Acquisition	N	21	57	78
	%	27%	73%	100%
Authority control	N	44	34	78
	%	56%	44%	100%
Cataloging	N	76	2	78
	%	97%	3%	100%
Circulation	N	77	1	78
	%	99%	1%	100%
Community information/resources	N	29	49	78
	%	37%	63%	100%
Email notification	N	59	19	78
	%	76%	24%	100%
Federated search	N	21	57	78
	%	27%	73%	100%
Hold placement	N	75	3	78
	%	96%	4%	100%
ILL with other ILS systems	N	20	58	78
	%	26%	74%	100%
Inventory control	N	34	43	77
	%	44%	56%	100%
Public access catalog (OPAC)	N	77	1	78
	%	99%	1%	100%
Patron database	N	73	5	78
	%	94%	6%	100%
Patron account access	N	75	3	78
	%	96%	4%	100%
Place items on hold from home or work via remote access to public access catalog	N	77	1	78
	%	99%	1%	100%
Remote patron authentication	N	43	35	78
	%	55%	45%	100%
Serials	N	49	29	78
	%	63%	37%	100%
Telephone notification	N	36	42	78
	%	46%	54%	100%

5.3. Desired Functionality

The preceding tables provide valuable information about key functionality provided by the shared ILS and used by the member libraries. Several functionalities are common across systems. Tables 11 and 12 also point to differences in functionality provided by the shared ILS, either through the vendor product or additional third-party applications.

As noted earlier, the characteristics of library automation systems have evolved in the last decade, and more functionality and services are available now than in the past. In addition, librarians and their patrons have increased their expectations and demands for technology functionality and services.

The questionnaire requested both the operators of shared ILS and member libraries to identify functionality or services that they would like to see in a shared ILS, but which are currently not available in their specific platforms. Appendix I presents the responses from both the operators of the shared ILS and member libraries regarding this question. In a number of cases, the specific functionality reported by member libraries go well beyond what appear to be the ideas presented by the operators of the shared ILS. Table 14 shows three examples of this difference.

Table 14. Differences in Desired Functionality between
Shared ILS Operators and Member Libraries (Selected Examples)

Shared ILS	Shared ILS Functionality Desired by Operators of Shared ILS	Shared ILS Functionality Desired by Member Libraries
Eastern Shores Library System – EasiCat	• **Horizon – Acquisitions: We have it but not implemented because it does not meet the functionality required by our member libraries** • **Alpha G - Hold expired fee: We are working on implementation so that patrons would be assessed a fee for holds not picked up.**	• **Acquisition** • **Federated Search** • **Community Information/Resources (incl. Newspaper & Obit indexes)** • **Materials flow management** • **Telecommunications management** • **Fee for reserved items not picked up** • **Spanish-language option** • **"kids catalog" option** • **email notification for overdues** • **email notification** • **ILL between systems** • **Label printing. Our system has a label printing feature but it doesn't work.**
Indianhead Federated Library System (Dynix) – BCLIC	**None listed**	• **E-Mail and telephone notification for holds** • **ILL beyond local system** • **Acquisitions** • **Payment of fines through credit card.** • **Email notification when author releases a new book.**
Outagamie Waupaca Library System – OWLSnet	• **Serials Module: Module to check-in, claim, and automatically add item records to OPAC.**	• **Serials control.** • **Telephone notification.** • **Federated searching.** • **Pay fines & bills w/credit card.** • **ILL out of network.** • **linked patrons,** • **accounting control,** • **pre-overdue notices,** • **faster search capabilities,** • **better holds access for patrons,** • **serials holds** • **Patron reading history.** • **Patron family links** • **Disc refinishing for small libraries,** • **group material reviewing,** • **ordering and processing for small libraries**

5.4. Summary

This section presented information about the technical platforms for the shared ILS, with particular emphasis on the functionalities provided in each implementation. The data suggest that there are significant differences among the shared ILS as to the functionalities provided and used. The data also suggest that there are competing views between system operators and member libraries regarding what additional functionalities should be included in future shared ILS. The shared ILS has evolved from simply a system to provide acquisition support, bibliographic control (e.g., through the cataloging modules) and access to library resources (e.g., through the OPAC, circulation, and hold modules) to a much broader platform supporting many different types of services to both the library staff and the patrons. Shared ILS now are serving as a gateway to information resources beyond those listed in the catalog and are adopting features available in applications such as Amazon and Google. Patron expectations, as reflected by member libraries' listing of desired functionality, will require careful and ongoing attention by

operators of shared ILS when considering new products to serve this wide and growing service need. The next section provides detailed membership information in terms of types of membership, services provided, and governance.

6. Membership Information – Types, Services, Governance

Section 4 provided general information about the membership in the shared ILS. This section offers more detailed data about the categories of membership provided in each shared ILS and the services that are associated with the membership categories. In addition, the survey of the operators of the shared ILS requested that the operators provide the study team with official documents that describe the membership arrangements. Copies of these documents comprise Appendix Z.

Not surprisingly, since the organizational foundation of the shared ILS examined in this study is generally based on the 17 public library systems, the vast majority of the shared ILS can be characterized as single-type systems. In fact, seven of the seventeen respondents (41%) indicated that membership in the shared ILS was restricted to public libraries. Table 6, however, shows that some shared ILS open their membership to other types of libraries.

6.1. Membership Types

Categories of membership vary somewhat across the shared ILS. The majority (11 of 17) have a single category of membership. Names used by the shared system differ for this single membership category. Five shared ILS offer different membership categories with associated services and functionality. Table 15 presents a summary of the membership types available in each shared ILS, and the number of libraries in each as reported by the shared ILS operators. [Note: Numbers for Table 15 are taken from responses to Item 6.4 on the shared ILS operators questionnaires. Slight differences exist between the numbers in this table and numbers in Appendix E, which lists the member libraries for each shared ILS and the category of membership.] Services available for each type of membership in a shared ILS are discussed in Section 6.2. Costs related to membership are discussed in a later section of the report.

Table 15. Shared ILS Membership Categories and Number of Libraries

Shared ILS	Membership Types	Number of Libraries in Membership Type	Total Members
Eastern Shores Library System – EasiCat	Participating Public Libraries	14	15
	Participating Non Public Libraries	1	
Indianhead Federated Library System (Dynix) – BCLIC	Full	9 8 plus the county library service	9
Indianhead Federated Library System (Innovative) – MORE	System member public libraries	34	34
	Non-system libraries	0 by end of 2005; Chippewa Valley Technical College is withdrawing by the end of 2005 to join a ten-member technical college automation consortium	
Kenosha County Library System – Kenosha Katalog	None listed		2
Lakeshores Library System – WAVE	Full member	24 (including 10 branches)	24
Manitowoc-Calumet Library System – LARS	Full	6	6
Mid-Wisconsin Federated Library System – BRIDGES	Full	3	3
Mid-Wisconsin Federated Library System – WACCOOL	Full	5	5
Milwaukee County Federated Library System – CountyCat	Full	15 municipalities (City of Milwaukee has 12 branches. Making total number of library buildings 27)	15
Northern Waters Library Service – Merlin	Full	All members	22

Shared ILS	Membership Types	Number of Libraries in Membership Type	Total Members
Outagamie Waupaca Library System – OWLSnet	Regular Membership	30 legal library entities (52 library locations)	30
South Central Library System – LINK	LINK Member	40 not counting Madison branches; 49 with Madison branches	40
Southwest Wisconsin Library System -- Net Southwest	Standard	26	26
Waukesha Public Library – Café	Full	15	15
Winding Rivers Library System – WRLSWEB	Public Library	23 full; 4 Internet only	27
	Affiliate Library	0	
Winnefox Library System – WALS	Member	6	29
	Associate Member	21	
	Linked Member	2	
Wisconsin Valley Library Service – V-Cat	Full	21	21
	Associate	0	

6.2. Membership Services

The descriptions of the membership categories in Appendix J provide details about the services libraries have available as members of a public library system and/or a shared ILS. Annual membership fees often pay for more than participation in the shared ILS (e.g., collection development, email, etc.). It is important to note that the services of the shared ILS may be only a subset of overall services libraries receive for their membership in a public library system and/or a shared ILS.

One item on the questionnaire sent to shared ILS member libraries asked them to identify other services beyond the functionality provided by the shared ILS they receive as part of their membership in a shared ILS system. The item offered a number of selections as well as an opportunity for the libraries to indicate other services not listed. Table 16 presents the summary statistics from the identified services. Appendix K lists the additional non-shared ILS services member libraries identified they received from their system.

Table 16. Services beyond the Shared ILS Received as Reported by Member Libraries

	N & %	Training	Cataloging and physical processing of materials	Collection development	Purchase of equipment	Troubleshooting of local equipment	Coordination of telecommunications
Yes	N	73	37	29	49	61	58
	%	95%	48%	38%	64%	79%	75%
No	N	4	40	47	27	16	19
	%	5%	52%	62%	36%	21%	25%

6.3. Governance of Shared ILS

The study team assumed that the shared ILS operators would have publicly available documents on their websites that described the governance structures of each shared ILS. An examination library system websites revealed little in the way of publicly available resources related to the organizational structures, representation, and decision-making related to the shared ILS.

The study team requested in the questionnaire (Item 6.8) that the shared ILS operators provide the study team with documents related to shared ILS membership agreement forms and cost sharing formula. Most of the shared ILS operators submitted one or more documents, some in electronic version and some in paper copies. A number of the submitted documents revealed some details about the governance structure for the shared ILS. Appendix Z relates to these documents and includes selected documents; Table Z.1 summarizes key aspects of the governance structures that could be determined from the documents.

A number of shared ILS submitted documents in the form of by-laws that provided detailed descriptions of the organization, purpose, participation, administration, etc. In other cases, the membership agreement documents revealed some information about the governance structures.

The organizational arrangements of the shared ILS varied, and thus the governance structures also varied. In general, there are three key entities related to the shared ILS:

- The public library system
- The members of the shared ILS
- The entity that operates the central site facility.

In some cases, the library system contracts with a public library that operates the shared ILS; this is the case with Winding Rivers Library System, La Crosse Public Library, and the WRLSWEB shared ILS. In other cases, the library system is the entity that operates and maintains the shared ILS; this is the case with the Outagamie Waupaca Library System and its OWLSnet shared ILS. In the case of the Waukesha Public Library, it operates and maintains the Café shared ILS, with apparently little interaction or involvement of the Waukesha County Federated Library System.

These different organizational arrangements lead to different administration and decision-making mechanisms. In many cases there is some form of advisory committee that allows representatives of the shared ILS member libraries to have input into the governance and operations of the shared ILS. In other cases, some form of council – that has representatives of the library system and shared ILS member libraries, oversees and administers the shared ILS; this is the case, for example, in the Winnefox Library System's WALS shared ILS.

As with other aspects discussed in this section, governance structures among the shared ILS operations vary. These different governance structures reflect, in part, different organizational arrangements for hosting and operating the shared ILS. The differences in governance structures also likely reflect the differing needs and political contexts of the public library systems, the shared ILS, and the member libraries.

7. Costs and Revenues for Operating a Shared ILS and Participating in a Shared ILS

The foregoing sections provide contextual information for the central focus of this study, namely the costs related to operating and participating in a shared ILS. The two questionnaires requested detailed information on costs. In this section, the cost data reported by the operators of the shared ILS and the member libraries are presented. Appendix L contains tables of detailed cost information. Cost and revenue information for the three Mid-Wisconsin Federated Library System's shared ILS are not reported in any of the following tables, but the reported costs and revenues for those shared ILS are included in the supporting appendixes.

7.1. Costs Related to Operating a Shared ILS

This section addresses the data provided by the operators of the shared ILS concerning the various costs to operate a shared ILS. The first consideration in examining the reported cost data is to know whether the operators maintain a separate budget for the shared ILS and/or whether they maintain detailed line items for the costs. Of the fifteen shared ILS responding (excluding the Mid-Wisconsin shared ILS), 8 (53%) maintain a separate budget for the shared ILS, and 11 (73%) reported that they maintain detailed line items for shared ILS costs. Table 17 shows which shared ILS maintain a separate budget and/or detailed line items for shared ILS costs. This is very important information since the cost information that follows must be understood in the context of the ways and extent to which the operators record cost data for their systems. Two shared ILS indicate that neither use a separate budget nor a detailed line item mechanism to account for costs related to their systems.

Table 17. Accounting Mechanisms for Shared ILS Costs

Shared ILS	Separate Budget	Detailed Line Items
Eastern Shores Library System – EasiCat	Yes	Yes
Indianhead Federated Library System (Dynix) – BCLIC	No	No
Indianhead Federated Library System (Innovative) – MORE	Yes	Yes
Kenosha County Library System – Kenosha Katalog	No	No
Lakeshores Library System – WAVE	No	Yes
Manitowoc-Calumet Library System – LARS	No	Yes
Milwaukee County Federated Library System – CountyCat	No	Yes [1]
Northern Waters Library Service – Merlin	No	Yes
Outagamie Waupaca Library System – OWLSnet	Yes	Yes
South Central Library System – LINK	Yes	Yes
Southwest Wisconsin Library System – Net Southwest	Yes	No Answer
Waukesha Public Library – Café	Yes	Yes
Winding Rivers Library System – WRLSWEB	No	No
Winnefox Library System – WALS	Yes	Yes
Wisconsin Valley Library Service – V-Cat	Yes	Yes

1   Respondent wrote: Included within a general overall budget/financial reports, so the information must be lifted out of the budget/financial reports.

The questionnaire to the shared ILS operators asked for the following costs to be reported.

- Personnel Costs
- Software Costs
- Buildings and Grounds Costs
- Vehicle Costs
- Travel & CE Costs
- Marketing and Public Relations Costs

- Liability Insurance Costs
- Supplies, Postage, & Printing Costs
- Telephone & Telecomm Costs
- Equipment & Maintenance Costs
- Professional Services Costs
- Shared ILS Contractual Costs

All respondents provided data in one or more of these categories, except for Marketing and Public Relations Costs – no respondents indicated any costs for this category. Appendix L presents the summary data and the component costs reported for each category. That appendix indicates whether the data were estimates rather than actual costs.

Table 18 shows the total operating costs reported by each shared ILS, ordered by the names of the shared ILS. Table 19 shows the same costs, but the order of entry is in decreasing order of total costs. Appendix L, Tables L-1 through L-11 contains the reported costs that are summarized here. Appendix L, Tables L-12 through L-21 contain tables reporting the component costs for each of the primary cost categories.

The questionnaire also asked the shared ILS operators to list other expenses they incur for services and products provided to members as part of their annual membership. Table 20 summarizes these costs. It is important to consider these costs when comparing revenues and costs discussed in Section 10.3.

Appendix L, Table L-23 contains comments submitted by responding shared ILS that provide some additional information to understand some of the cost figures reported in Table 18.

Table 18. Total Annual Operating Costs (Ordered by Shared ILS)

[Note: NA means that the respondent indicated that the cost category was not applicable.]

Shared ILS	Personnel Costs	Software Costs	Buildings and Grounds Costs	Vehicle Costs	Travel & CE Costs	Liability Insurance Costs	Supplies, Postage, & Printing Costs	Telephone & Telecomm Costs [1]	Equipment & Maintenance Costs	Professional Services Costs	Shared ILS Contractual Costs	Total Costs Reported
Eastern Shores Library System – EasiCat	$63,526	$39,963	$2,489	NA	$2,105	NA	$384	$11	$87,917	NA	$8,988	$205,383
Indianhead Federated Library System (Dynix) – BCLIC	$20,000	$15,114	NA	NA	NA	NA	$45	NA	$7,000	NA	NA	$42,159
Indianhead Federated Library System (Innovative) – MORE	$186,593	$65,858	$4,221	NA	$2,213	NA	$2,543	$6,683	NA	$872	$15,648	$284,631
Kenosha County Library System – Kenosha Katalog	$68,224	$51,861	NA	NA	$3,000	NA	$21,000	$9,600	NA	NA	NA	$153,685
Lakeshores Library System – WAVE	$135,528	$89,189	$0	$0	$11,500	NA	$1,000	$5,994	$9,500	$1,200	$21,552	$275,463
Manitowoc-Calumet Library System – LARS	$73,910	$34,096	$614	$5,355	$1,300	NA	$1,450	$10,292	$475	NA	$31,526	$159,018
Milwaukee County Federated Library System – CountyCat	$226,953	$163,278	NA	NA	$2,260	NA	$78,640	$39,175	$12,500	NA	$440,722	$963,528
Northern Waters	$150,115	$31,662	$22,519	NA	$6,095	$1,664	$1,522	$27,988	$39,312	NA	NA	$280,877

Shared ILS	Personnel Costs	Software Costs	Buildings and Grounds Costs	Vehicle Costs	Travel & CE Costs	Liability Insurance Costs	Supplies, Postage, & Printing Costs	Telephone & Telecomm Costs [1]	Equipment & Maintenance Costs	Professional Services Costs	Shared ILS Contractual Costs	Total Costs Reported
Library Service – Merlin												
Outagamie Waupaca Library System – OWLSnet	$293,387	$86,652	$5,886	NA	$3,864	NA	$13,919	$105,251	$35,097	NA	$67,037	$611,093
South Central Library System – LINK	$701,688	$108,209	$32,265	NA	$18,049	NA	$14,994	$102,403	$25,265	$4,100	$459,056	$1,466,029
Southwest Wisconsin Library System – Net Southwest	$172,996	$14,338	$5,350	$2,000	$5,000	$3,600	$2,000	$5,200	$12,000	$2,000	$24,100	$248,584
Waukesha Public Library – Café	$200.682	None Listed	$6,150	$1,500	$3,000	NA	$1,000	$600	NA	$46,000	$94,753	$353,685
Winding Rivers Library System – WRLSWEB	$63,900	$52,346	NA	NA	NA	NA	$14,493	$36,000	$22,369	NA	$24,320	$213,428
Winnefox Library System – WALS	$364,027	$80,085	$4,575	$5,000	$13,050	NA	$45,758	$42,949	$62,120	$2,800	$82,000	$702,364
Wisconsin Valley Library Service – V-Cat	$136,479	$17,489	$377	NA	$9,103	NA	$1,390	$322	$20,604	NA	$22,006	$207,770

1   The State of Wisconsin gives each library a T1 circuit for $100/month. Some shared ILS or public library system pays this charge for the local library. In other systems, the local library pays this amount.

Table 19. Total Annual Operating Costs (Ordered by Total Costs Reported)

[Note: NA means that the respondent indicated that the cost category was not applicable.]

Shared ILS	Personnel Costs	Software Costs	Buildings and Grounds Costs	Vehicle Costs	Travel & CE Costs	Liability Insurance Costs	Supplies, Postage, & Printing Costs	Telephone & Telecomm Costs [1]	Equipment & Maintenance Costs	Professional Services Costs	Shared ILS Contractual Costs	Total Costs Reported
South Central Library System – LINK	$701,688	$108,209	$32,265	NA	$18,049	NA	$14,994	$102,403	$25,265	$4,100	$459,056	$1,466,029
Milwaukee County Federated Library System – CountyCat	$226,953	$163,278	NA	NA	$2,260	NA	$78,640	$39,175	$12,500	NA	$440,722	$963,528
Winnefox Library System – WALS	$364,027	$80,085	$4,575	$5,000	$13,050	NA	$45,758	$42,949	$62,120	$2,800	$82,000	$702,364
Outagamie Waupaca Library System – OWLSnet	$293,387	$86,652	$5,886	NA	$3,864	NA	$13,919	$105,251	$35,097	NA	$67,037	$611,093
Waukesha Public Library – Café	$200,682	None Listed	$6,150	$1,500	$3,000	NA	$1,000	$600	NA	$46,000	$94,753	$353,685
Indianhead Federated Library System (Innovative) – MORE	$186,593	$65,858	$4,221	NA	$2,213	NA	$2,543	$6,683	NA	$872	$15,648	$284,631
Northern Waters Library Service – Merlin	$150,115	$31,662	$22,519	NA	$6,095	$1,664	$1,522	$27,988	$39,312	NA	NA	$280,877
Lakeshores Library System – WAVE	$135,528	$89,189	$0	$0	$11,500	NA	$1,000	$5,994	$9,500	$1,200	$21,552	$275,463

Shared ILS	Personnel Costs	Software Costs	Buildings and Grounds Costs	Vehicle Costs	Travel & CE Costs	Liability Insurance Costs	Supplies, Postage, & Printing Costs	Telephone & Telecomm Costs [1]	Equipment & Maintenance Costs	Professional Services Costs	Shared ILS Contractual Costs	Total Costs Reported
Southwest Wisconsin Library System – Net Southwest	$172,996	$14,338	$5,350	$2,000	$5,000	$3,600	$2,000	$5,200	$12,000	$2,000	$24,100	$248,584
Winding Rivers Library System – WRLSWEB	$63,900	$52,346	NA	NA	NA	NA	$14,493	$36,000	$22,369	NA	$24,320	$213,428
Wisconsin Valley Library Service – V-Cat	$136,479	$17,489	$377	NA	$9,103	NA	$1,390	$322	$20,604	NA	$22,006	$207,770
Eastern Shores Library System – EasiCat	$63,526	$39,963	$2,489	NA	$2,105	NA	$384	$11	$87,917	NA	$8,988	$205,383
Manitowoc-Calumet Library System – LARS	$73,910	$34,096	$614	$5,355	$1,300	NA	$1,450	$10,292	$475	NA	$31,526	$159,018
Kenosha County Library System – Kenosha Katalog	$68,224	$51,861	NA	NA	$3,000	NA	$21,000	$9,600	NA	NA	NA	$153,685
Indianhead Federated Library System (Dynix) – BCLIC	$20,000	$15,114	NA	NA	NA	NA	$45	NA	$7,000	NA	NA	$42,159

1 The State of Wisconsin gives each library a T1 circuit for $100/month. Some shared ILS or public library system pays this charge for the local library. In other systems, the local library pays this amount.

Table 20. Contractual Costs Not Directly Related to Shared ILS

Shared ILS	Information Services (bibliographic databases, online subscriptions, etc.	Internet Services Provider Services	Web Hosting	Email	Other	Total
Eastern Shores Library System – EasiCat	$2,000	$56,057			$154,151	$212,208
Indianhead Federated Library System (Dynix) – BCLIC						None Reported
Indianhead Federated Library System (Innovative) – MORE						None Reported
Kenosha County Library System – Kenosha Katalog	$48,155	$3,425				$51,580
Lakeshores Library System – WAVE						$20,980
Manitowoc-Calumet Library System – LARS	$5,400			$960	$725	$7,085
Milwaukee County Federated Library System – CountyCat						$26,000
Northern Waters Library Service – Merlin	$7,650					$7,650
Outagamie Waupaca Library System – OWLSnet (Outagamie and Nicolet figures)	$78,601	$21,374			$19,749	$119,724
South Central Library System – LINK				$9,420	$6,080	$15,500
Southwest Wisconsin Library System – Net Southwest						None Reported
Waukesha Public Library – Café						None Reported
Winding Rivers Library System – WRLSWEB		$4,800				$4,800
Winnefox Library System – WALS						None Reported
Wisconsin Valley Library Service – V-Cat						None Reported

7.2. Revenues to Support Shared ILS Operations

Shared ILS operators were asked to identify the sources of funds and amounts that are used for the operation of the shared ILS. These revenues are understood to offset the costs of shared ILS operations. Table 21 presents a summary of the revenues, showing all membership fees, state library aid, and all other revenue received from other sources. Appendix M has detailed data about these sources of funds and amounts. Appendix N contains the amount of membership fees per member collected in 2004 as reported by the shared ILS operators.

Table 21. Sources and Amount of Revenues for Operating the Shared ILS

Shared ILS	2004 Membership Fees	2004 State Library System Aid Used for Shared ILS Operation	Other Sources of Revenue	Total Revenue
Eastern Shores Library System – EasiCat	$172,052	$56,688		$228,740
Indianhead Federated Library System (Dynix) – BCLIC	$42,114		0	$42,114
Indianhead Federated Library System (Innovative) – MORE	$271,413	$129,649	$18,634	$419,696
Kenosha County Library System – Kenosha Katalog			$139,317	$139,317
Lakeshores Library System – WAVE	$147,983	$201,290	$16,500	$365,773
Manitowoc-Calumet Library System – LARS	$128,121	$25,782	$8,600	$162,503
Milwaukee County Federated Library System – CountyCat	$363,139 [1]	$700,000	$52,568	$1,115,707
Northern Waters Library Service – Merlin	$120,168	$110,907	$33,234	$264,309
Outagamie Waupaca Library System – OWLSnet (Outagamie and Nicolet figures)	$714,962	$32,332	$18,164	$765,458
South Central Library System – LINK	$2,440,256	$120,853	$25,351	$2,586,460
Southwest Wisconsin Library System – Net Southwest	$204,400	$39,985	$4,200	$248,585
Waukesha Public Library – Café	$714,450		$295,000	$1,009,450
Winding Rivers Library System – WRLSWEB	$209,512	$16,218	$90,426	$316,156
Winnefox Library System – WALS	$629,447		$39,540	$668,987
Wisconsin Valley Library Service – V-Cat	$90,000	$145,000	$20,739	$255,739

1   Does not charge annual membership fee, but collects revenues from members for automation services and forms/postage.

7.3. Comparison of Shared ILS Revenue and Expenses

Using the data reported by the shared ILS operators, the total expenses/costs for operating the shared ILS (not including the three Mid-Wisconsin Federated Library System's shared ILS) is $6,167,698. The total revenues reported as available or used by the shared ILS for operating the shared ILS is $8,588,994. Table 22 shows a comparison of total revenues and total costs reported per shared ILS. However, some caution is needed when looking at these figures. For example, a large positive or negative difference should be viewed in the context of the operating budget for a specific shared ILS.

To more fairly represent and understand the difference between total revenues and total costs, we have included in the table the amount of Other Non-Shared ILS Costs from Table 20 above since these costs are incurred by the shared ILS operator and revenues reflected in the total revenue reported column is collected from members that receive the services represented by the Other Non-Shared ILS Costs. For example, the OWLSnet Shared ILS shows income of $765,458 and costs of $611,093. The difference of these two figures is $154,365. However, the revenue collected from its members pay for non-shared ILS services, and the costs to OWLSnet for those services is $119,724. When Other Non-Shared ILS Costs are taken into consideration, the difference between revenues and all costs is only $34,641.

Table 22. Comparison of Shared ILS Revenues and Costs

Shared ILS	Total Revenue Reported	Total Costs Reported	Over/Under	Other Non-Shared ILS Costs	Over/Under with Other Non-Shared ILS Costs Included
Eastern Shores Library System – EasiCat	$228,740	$205,383	$23,357	$212,208	<$188,851>
Indianhead Federated Library System (Dynix) – BCLIC	$42,114	$42,159	<$45>	None Listed	
Indianhead Federated Library System (Innovative) – MORE	$419,696	$284,631	$135,065	None Listed	
Kenosha County Library System – Kenosha Katalog	$139,317	$153,685	<$14,368>	$51,580	<$65,948>
Lakeshores Library System – WAVE	$365,773	$275,463	$90,310	$20,980	$69,330
Manitowoc-Calumet Library System – LARS	$162,503	$159,018	$3,485	$7,085	<$3,600>
Milwaukee County Federated Library System – CountyCat	$1,115,707	$963,528	$152,179	$26,000	$126,179
Northern Waters Library Service – Merlin	$264,309	$280,877	<$16,568>	$7,650	<$24,218>
Outagamie Waupaca Library System – OWLSnet (Outagamie and Nicolet figures)	$765,458	$611,093	$154,365	$119,724	$34,641
South Central Library System – LINK	$2,586,460	$1,466,029	$1,120,431	$15,500	$1,104,931
Southwest Wisconsin Library System – Net Southwest	$248,585	$248,585	0	None Listed	
Waukesha Public Library – Café	$1,009,450	$353,685	$655,765	None Listed	
Winding Rivers Library System – WRLSWEB	$316,156	$213,428	$102,728	$4,800	$97,928
Winnefox Library System – WALS	$668,987	$702,364	<$33,377>	None Listed	
Wisconsin Valley Library Service – V-Cat	$255,739	$207,770	$47,969	None Listed	
Total Income and Expenses	$8,588,994	$6,167,698	$2,485,654	$465,527	

Additional information reported by various shared ILS operators also help explain some of the figures in Table 22.

- **Indianhead Federated Library System (Innovative) – MORE**
  There are three reasons for the differences between the total revenue and total costs:

  1. MORE added several new libraries to the shared system in 2004. The start-up costs charged to the new libraries includes money that goes to the reserves and for a "buy-in" for the central site equipment and software that the first libraries that joined paid for.
  2. MORE included in the annual membership costs some money for the reserve account so that when equipment or software needs to be upgraded, there is not a sharp increase in the annual membership cost for that year.
  3. Two major activities planned for 2004 were delayed until 2005.

  MORE took the amount of unexpended money and the amount in the reserve fund into account when they set the 2005 budget and 2005 annual membership costs which must be approved by the shared system's Directors Council. As noted on the questionnaire related to the reserve fund:

  o Some funds from the start fees for libraries goes to the reserve account
  o A portion of the annual membership cost goes to the reserve account
  o Unspent operating revenues go to the reserve account

- **Wisconsin Valley Library Service – V-Cat**
  In this case, the overage is due to planning for long-term capital expense. As noted in a response on the questionnaire: "There is a line in the annual maintenance budget for long range replacement and it is for the amount o $10,000. Also, any funds remaining in the V-Cat account at

the end of the year go into that same long range replacement fund. LSTA funds are used for replacement when reasonable to do so."

While it may be important to examine differences between total costs and revenues, a single year snapshot of costs and revenues as collected and reported in this study will likely not give a completely accurate picture. Over a period of years, the positive and negative differences may balance out. It is also important to consider the costs and the revenues that actually reflect on the shared ILS operation, and to consider bringing some uniformity in accounting practices to more accurately report these figures for comparison.

7.4. Member Costs for Participating in the Shared ILS

Member libraries encounter two types of costs for participating in a shared ILS. One type of cost is that assessed directly by the shared ILS in the form of membership fees, one-time startup costs, etc. The second type of cost is incurred by the member library directly for staffing and other expenses. The questionnaire to the member libraries included items to collect these separate types of costs. Appendix O presents the reported charges and fees by the member libraries.

The total charges paid to the shared ILS by member libraries range from a high of $508,345 for Madison Public Library in the South Central Library System to a low of $1,624 for Darien Public Library in the Lakeshores Library System.

Member libraries were asked to indicate whether they paid a one-time startup fee when they joined the shared ILS. Approximately two-thirds (N=45) of those responding (N=68) indicated they had paid such a fee. Appendix P has the specifics of the startup cost as reported by the libraries. Start-up charges reported ranged from nearly $200,000 to $5,000. In addition, 79% (N=55) of the respondents reported that they had to directly purchase hardware and software to install at their libraries at the time of joining a shared ILS. Only 21% (N=15) indicated that they did not have to directly purchase hardware and/or software. Appendix P also contains the responses from the member libraries for this item.

The other type of cost incurred by member libraries are not paid directly to the shared ILS, but rather absorbed by the member library. The intention of collecting these data was to produce a more comprehensive sense of the total costs to a member library for participating in a shared ILS. Appendix Q contains the costs reported by the member libraries, and the types of costs incurred. These costs range from a few hundreds of dollars to tens of thousands of dollars. While these data may be indicative of the additional costs incurred, the variance (or lack of data from many libraries) may be more indicative of limited accounting mechanisms in many libraries for identifying and recording these other costs for participating in a shared ILS. Member libraries also provided additional comments on the costs for participating in a shared ILS. These comments are contained in Appendix R. (Note: In addition to comments about the costs, member libraries also made comments on their experience in participating in a shared ILS, and also some comments about the survey questionnaire itself.)

7.5. Sources of Funds to Pay for Participation in Shared ILS

Member libraries were asked to describe the source and amounts of funds they use for expenses incurred for participating in the shared ILS. These funds could be used to pay directly to the system or for use within the library for costs they incur. The questionnaire requested that the member libraries identify the following category for reporting the source of funds:
- Local or county appropriations for your participation in a shared library automation system:
- Technology grants or funds from the library system or the consortium that runs the library automation system for your participation in a shared library automation system:
- LSTA grants or funds for your participation in a shared library automation system
- Other grants or funds for your participation in a shared library automation system:

Appendix S presents the data reported by the member libraries. The bulk of funds for participation in a shared ILS come from local funding agencies (e.g., county and city governments).

8. Reasons for Joining a Shared ILS

Any consideration of reconfiguring the Wisconsin shared ILS landscape (e.g., implementing a statewide ILS, merging existing shared ILS, etc.) can be informed by understanding the motivation and reasons why libraries chose to join a shared ILS. The member library questionnaire collected information related to decisions for joining a shared ILS.

Libraries were asked to indicate whether they had a stand-alone library automation system at the time they joined a shared ILS. Over half (55%, N=42) indicated that they had a stand-alone system, and 45% (N=35) did not. For those that did have a system in place, they were asked to list the three most important factors or considerations for their library when it decided to join a shared ILS rather than continue with its own stand-alone system. Similarly, for libraries that were not automated, they provided a list of key factors for their decision to join a shared ILS rather than implement a stand-alone system. Appendix T presents the key factors provided by the respondents. The questionnaire offered libraries the opportunity to provide additional information to explain their reasons for joining a shared ILS. Appendix T lists these comments.

Libraries that joined a shared ILS continue, in large measure, to approve of that decision. Questionnaire items either directly or indirectly inquired about the member libraries' level of satisfaction with the shared ILS. A large majority of the respondents (87%) indicated high or very high levels of satisfaction with their shared ILS. Table 23 presents the summary statistics for member library responses related to satisfaction.

Table 23. Satisfaction Level with Shared ILS by Member Libraries

	Very High	High	Neutral	Low	Very Low	Total
N	29	36	6	3	1	75
%	39%	48%	8%	4%	1%	100%

The questionnaire also asked whether member libraries were considering a decision to discontinue membership in a shared ILS to implement a stand-alone system. Nearly 100% of the respondents indicated they had no intention of leaving a shared ILS to implement a stand-alone system. However, a number of the respondents (13) indicated that they are considering joining a different shared ILS. However, as shown in Appendix U, which contains the data from the questions related to discontinuing membership, most of those considering joining a different shared ILS are doing so because of a merger that is planned or already underway. Table 24 shows the summary statistics related to this question.

Table 24. Libraries Considering Decision to Discontinue Membership in Shared ILS

	N & %	Discontinue to Implement a Stand-Alone System	Discontinue to Join Another Shared ILS
Yes	N	1	13
	%	1%	17%
No	N	77	65
	%	99%	83%

These data indicate that the respondents believe that the shared ILS offer the libraries important value and benefits. The next section provides additional information about the perceived values and benefits of the shared ILS from the perspectives of the operators of and libraries participating in the shared ILS.

9. Perceived Benefits and Value of the Shared ILS

The study team asked the operators of the shared ILS and libraries participating in the shared ILS to address benefits and value of the shared ILS. A number of questions on both questionnaires dealt with these topics. This section provides an overview of key findings of the perceived benefits and value of the shared ILS from the perspectives of both the shared ILS operators and shared ILS member libraries.

The questions related to benefits and value on the survey instrument were open-ended, and the respondents could write in their responses. The study team analyzed data by identifying the principal

topic(s) presented in the responses and grouping these together in a broader taxonomy of topics. Many of the views incorporated in the findings come verbatim from the responses.

Not all responses are incorporated in the summary below. The study team attempted to list those that were more frequently mentioned than others; those that had broader applicability than to only one system, member library, or situation; and those that were clearly stated and/or more easily understood. In some instances, the brevity of responses made interpretation of their meaning difficult. There was considerable number and scope of responses to the survey questions related to these topics. Nonetheless, there was also considerable agreement among responses on benefits and examples of these benefits. Appendix V provides a complete listing of all responses to the items on both questionnaires related to benefits.

9.1. Benefits of the Shared ILS for the Operating Organization as Perceived by System Operators

Approximately 50 responses regarding benefits from the perspective of the shared ILS operators suggest a number of findings in which there is considerable agreement.

- *Meeting Statutory Requirements*: A consistent theme in these responses was the importance of meeting state law regarding resource sharing and that the shared ILS provided the systems with a means to ensure that these state laws and requirements were being met.
- *Access*: Respondents identified a number of benefits that resulted from the shared ILS that broadly relate to access. Dimensions include: quicker access to materials, remote libraries having better access to materials, and access to a wider scope of materials as a result of the shared ILS.
- *Costs*: Another general benefit frequently mentioned related to costs. Respondents noted that the shared ILS system reduced overall costs for participating members, provided a means to leverage available resources, and shared costs across participating libraries.
- *Database*: A number of responses noted that the establishment of a centralized database was an important benefit that also allowed better management and quality control of that database. Having such a database also provides a number of benefits related to easier access to ILL information.
- *Management*: A range of benefits can be identified that fall under the area of management. Some respondents noted that the shared ILS resulted in a streamlined process; that centralized administration and technical support were important; that communication and cohesiveness among the systems had been strengthened; and that better coordination of services related to ILS had resulted.
- *User Services and Visibility*: The responses also indicated that overall the shared ILS provided high quality services which might not otherwise be available without the system. Moreover, the shared ILS demonstrated a very tangible and important service to member libraries that patrons support.

Although shared ILS operators identified other benefits from the shared ILS for the organizations that operate the shared ILS, the above key categories represent the general topics most frequently mentioned. The most frequently mentioned benefits related to meeting statutory requirements and costs.

9.2. Benefits of the Shared ILS for Member Libraries as Perceived by System Operators

There are a number of similarities between the shared ILS operators' perceptions of benefits for member libraries and for the organizations operating the shared ILS. The shared ILS operators offered some 40 responses describing *member* benefits that can be grouped as follows:

- *Access*: Users at the member libraries have access to a much broader selection of resources than if they only had access to items in the library itself. This access was relatively quick, easy, and smaller libraries had access to larger collections.

- **Management:** The centralized management of system technology and support provides an economy of scale, promotes innovation, and promotes the exchange of ideas and better communication.
- **Costs:** The costs for providing access to materials statewide was reduced for individual libraries and technology costs especially were reduced at the member library level. Staffing costs may also be reduced for member libraries.
- **Technology:** The operators of the shared ILS believed that member libraries had access to technology with much greater functionality and sophistication than the members might otherwise afford if they had stand-alone systems.
- **Technology Support:** The shared ILS provided member libraries with a range of technology support that they otherwise might not be able to provide. In addition to the support it self, the operators perceived that the quality of the support provided to member libraries was significant.
- **Database:** The shared ILS provided for higher quality bibliographic records and a larger database of holdings.
- **User Services:** A number of the comments centered around the member libraries being able to provide better or higher quality services by knowing which patrons had large fines so that they could not take advantage of other libraries, that patrons could return materials to libraries other than where originally checked out, allowed the capability to queue holds between libraries, patrons can initiate their own requests, and that patrons could place holds on materials from any location.

Despite the responses being organized into the above categories, many of the responses focused on benefits broadly related to member libraries having improved technology and technology support at reduced costs.

9.3. Benefits of the Shared ILS for Member Libraries as Perceived by Member Libraries

Member libraries offered some 220 responses that described perceived benefits they received from the shared ILS. There was much duplication among these responses and many of the benefits are those also identified by the shared ILS operators. The primary categories of these responses with example comments include the following.

- **Technology:** Many of the member libraries noted that they were able to have higher quality technology with greater functionality and receive better technical support as a result of the shared ILS than if they did not participate. They also noted that planning and upgrades of the system were done by people more knowledgeable than staff in their library.
- **Costs:** Members noted that the costs for technology available to them were reduced compared to running stand-alone systems, that costs were shared across participating libraries, and that automation costs were "controlled."
- **Access:** Member libraries acknowledged that they had access to a larger and higher quality collection of materials than relying only on their collections; that smaller libraries especially benefited from the shared ILS, that access to materials was timely; and that patrons could access materials directly from home.
- **User Services:** Respondents noted a number of benefits related to patron services such as the self-services that patrons could do themselves to manage access to materials, the increased number and scope of items that were accessible to users, patrons being able to access the system from home, ability to provide e-mail notifications to patrons, and a single library card that could be used throughout the an county,
- **Database:** A number of respondents indicated that the quality of cataloging, overall bibliographic control, and the database had improved. Also noted was that search functionality was good; there is an ease of viewing all items in a particular county; overall ease of use of the system was good; overdues were automatically sent out; and having the catalog online were important benefits.

- *Collaboration and Coordination*: One response noted the importance of increased "camaraderie" among the system libraries, another the "brotherhood," a "closer network of colleagues to work with," and still another the "cooperation among local libraries." Others noted the benefits of sharing resources and various management activities.
- *Management*: Some members believed that there had been "staff efficiencies" as a result of the shared ILS that allowed staff to take on additional tasks, the importance of the centralized approach for delivery, some equality among libraries as each "gets one vote," ongoing planning, the availability of various statistics, and better communication with other libraries.
- *Continuing Education and Training*: Some member libraries commented on the benefits of continuing education and training that was provided, especially on technical topics and issues.

Overall, the member libraries' responses identify a broad range of benefits that were widely agreed upon by many of the respondents.

The benefits identified in the above sections validate the responses in the section above that discussed the reasons for joining a shared ILS. Appendix T contains the key factors for joining a shared ILS and there are considerable similarities among the responses reported there with the benefits identified above (and detailed in Appendix V) indicating a high degree of validity in the responses.

10. Perceived Limitations and/or Issues with the Shared ILS

Operators of the shared ILS and member libraries were asked to identify limitations and/or issues related to the shared ILS. This section provides an overview of key findings of the perceived limitations and/or issues the shared ILS operators and shared ILS member libraries perceive. Appendix W contains the full set of responses discussed below.

10.1. Issues and Limitations for the Shared ILS for the Operating Organization as Perceived by System Operators

The survey instrument asked shared ILS system operators to identify issues and limitations at the level of the organization operating the shared ILS, and respondents submitted approximately 45 responses. Their issues and limitations can be grouped into the following general concerns.

- *Technology Support*: There is a need for more staff to provide technical support, and recruitment of trained staff in this area is difficult
- *Management*: Having standardized policies and procedures across the system is a challenge especially with differences in staff expertise, the quality of management varies across individual libraries, there may be a sense of loss of autonomy regarding the management of the system, too many meetings, and there are competing demands on "priorities."
- *Costs*: The shared ILS could benefit from additional funding, there is increased administrative overhead, user expectations for more and better services, and delivery costs are escalating,
- *Database*: It is important to maintain quality control of the cataloging.
- *Reciprocal Borrowing Imbalances*: Funding for net imbalances among borrowing is an ongoing issue that must be addressed.
- *User Services*: Increased demand for services and deliveries without additional funding could jeopardize the quality of user services.
- *Continuing Education and Training*: The large geographical areas covered by a shared ILS and the number of libraries participating make the provision of training difficult.

The most often mentioned issues were the importance of having standardized policies and practices, enforcing those policies, and that some libraries had different policies related to the shared ILS than other libraries in the same system.

10.2. Issues and Limitations for the Shared ILS for the Member Libraries as Perceived by System Operators

The survey questionnaire asked shared ILS system operators to identify issues and limitations at the member library level, and respondents submitted approximately 40 responses. These issues and limitations can be grouped into the following general concerns.

- **Technology:** There are ongoing needs for upgrades and to have adequate bandwidth available to all participating libraries and the degree to which the local library has "control" over its own automation.
- **Costs:** Local libraries will have to pay for upgrades and other enhancements on an ongoing basis. Once the library is committed to the shared ILS there is "no turning back," and is now committed to bearing the increasing costs of the shared ILS.
- **Staffing:** There is under-funding and under-staffing at some of the local libraries
- **Management:** There may be a feeling of powerlessness at the local library, or when compromises have to be made, they are made at the local library. There is a need to better manage materials movement among libraries. There is a recognition for standardized policies and enforcement but at the same time maintaining some flexibility with the policies.
- **Database:** There may be an unwillingness on the part of some libraries to input complete and accurate data.
- **Reciprocal Borrowing Imbalances:** Significant net lenders are concerned that they are not compensated for net imbalances.
- **User Services:** Some libraries are concerned that new materials that they own are not on the shelf and have been loaned to other libraries, and about problem patrons going from one library to another.
- **Continuing Education and Training:** There is a need for additional training at the member libraries and being able to stay up-to-date with technology developments. Technology training will be an ongoing issue.

It is important to remember that this list of issues and limitations affecting member libraries are those as perceived by the shared ILS operators.

10.3. Possible Actions to Address Issues/Limitations

The shared ILS operators offered some 55 possible actions that could be taken to address the issues/limitations noted above at both the library and shared ILS level. Because of the similarity of the recommendations for the member library and the shared ILS, they are reported here together. The most commonly offered recommendations to address these issues include the following. Appendix W lists the specific responses by the shared ILS operators.

- Management
  - Work harder to standardize policies and show members of the benefits of having such standardized policies
  - Keep the number of the member libraries in systems manageable
  - Determine true marginal cost of reciprocal borrowing and have members pay each other with system contributions
  - Consolidate systems, which could be consolidation of public library systems and/or the shared ILS
  - Modify membership fees in light of net lending/borrowing ratios
  - Determine how best to have system members abide by policies and procedures
  - Incorporate research and testing into planning approaches
  - Continue to improve communication among ILS participants

- Funding
  - Obtain funding to support additional technical support staff
  - Increase state Support for library systems and materials delivery
  - Increase funding for training

- Database
  - o Stay committed to quality control
  - o Vendors should develop ILS software specifically intended for consortia
  - o Monitor accuracy and completeness of records

- User Services
  - o Provide extra copies of best sellers

- Training
  - o Provide more training on backup software
  - o Employ web-based video training techniques
  - o Systems should be required to offer training and some training should be free

It is interesting to note that many of the recommendations offered relate broadly to management and funding issues. One response offered the point of view that there probably are no good solutions to address the various issues and limitations as they are inevitable in a large-scale cooperative venture and simply part of the trade-offs one accepts when joining such a venture. But the most frequently mentioned recommendation was that the state needed to better support library systems with additional funding.

The next section discusses member libraries' suggestions for improvements to the shared ILS. Nonetheless, there are some similarities among the responses of the two groups. Member library responses stressed issues related to understaffing and both groups indicated concerns about imbalances in reciprocal borrowing.

10.4. Improvements

The member libraries provided some 140 responses as possible improvements for the shared ILS in which they participate. The intent of the following list is to provide an overview of the more frequently mentioned items. Appendix W lists all responses. The proposed improvements include the following suggestions.

- Technology
  - o Implement better delivery software modules
  - o Implement better telecommunications monitoring/management system
  - o Provide better integration with WisCat
  - o Incorporate a label feature in the system so that staff do not have to type labels
  - o Provide more technology support
  - o Offer federated searching that include Web sources
  - o Ensure that the libraries have up-to-date software and equipment
  - o Improve the skill levels of those providing technical support
  - o Upgrade bandwidth
  - o Compensate net lenders
  - o Support wireless access
  - o Better inform members of new developments, technology upgrades, etc.
  - o Make acquisitions module easier to use

- Management
  - o Produce better reports at both the shared ILS and local library levels
  - o Make statistics gathering and reporting functions easier to use
  - o Have a contact person for after-hours support
  - o Provide more flexibility in local control (such as fines)
  - o Develop better backup emergency plans
  - o Promote consistent governance between and among communities within the libraries
  - o Develop load leveling strategies so that larger libraries are not providing the most resources
  - o Agree on common loan periods on all types of materials
  - o Rewrite by-laws to have consequences for libraries that violate rules

- User Services
  - Add more E-resources (which could also reduce delivery costs)
  - Offer bookmobiles to patrons who cannot easily access the library
  - Reduce turn-around-time for materials delivery
  - Develop an approach for readers to be able to keep track of what they read
  - Allow fines to be paid with a debit or credit card

- Database
  - Provide quicker clean-up of data
  - Improve authority control
  - Clean-up dirty records
  - Allow brief bibliographic records to be imported from vendors

- Continuing Education and Training
  - Provide training on MARC
  - Provide training to staff on how to maximize utilization of the ILS
  - Provide training in the use of reports

These provide a flavor of the suggested improvements that member libraries would like to see implemented. While the need for additional funding may be assumed within many of the responses in this section, it is interesting to note that there were very few comments in this section, specifically, about obtaining additional State funding.

From these responses, and those in Appendix W, the member libraries suggest changes that go beyond the functioning of the shared ILS, and the data collected can be used by the Division and the public library systems as they continue to improve library services. No attempt has been made here to assess the feasibility or usefulness of the various suggested improvements offered. Moreover, a number of the improvements were very localized, that is, they affected one library or a narrow situation. These were not summarized in this section. A useful activity might be for a group of members and the shared ILS operator to rank the feasibility of these various suggestions as a means to determining which, if any, could in fact be addressed.

10.5. The Importance of Perceptions

Clearly, both shared ILS system operators and participating member libraries have identified a broad range of benefits that have accrued from participating in the shared ILS as well as issues and limitations that could be addressed to improve the shared ILS and reap additional benefits. These benefits cover a wide range of areas including management, costs, user services, training, the database, collaboration, technology and technology support, access, visibility, and meeting statutory requirements. The findings also identified a number of issues/limitations that will require future attention, also in areas of management, funding, staffing, technology upgrades, reciprocal borrowing, and user services. Possible recommendations to address the issues stressed a number of management strategies and issues – which appears to be of primary concern to many of the respondents.

The summary of perceived benefits, issues/limitations, recommendations, and improvements provided in this section offer an important perspective on perceptions held by both the shared ILS system operators and member libraries. Perceptions are best described as how the shared ILS is seen or understood to operate by those most closely involved with it. Yet, it is important to note that as perceptions, they may or not be factually true. Yet the perceptions of the shared ILS may be as important as the factual data reported elsewhere in the study. Thus, these perceptions augment the quantitative data provided elsewhere in the report and support the findings from the focus group interviews conducted at the Wisconsin Library Association Conference in October 2005 discussed in a subsequent section.

The findings in this section should be considered in the context of quantitative data from the survey that show 87% of member respondents to have *very high* or *high* satisfaction with the shared ILS that they use and that 61% of respondents assessed their satisfaction with technical support as very high or high.

Overall, however, the data reported in this section describe a healthy set of perceptions regarding the shared ILS in which participants believe there are numerous benefits resulting from participation in the shared ILS. The number and scope of the benefits are significant. But the respondents also offered realistic comments on the issues/limitations facing the shared ILS with possible strategies to address the issues.

11. Future Scenarios for Wisconsin Shared ILS

In the questionnaires sent to the shared ILS operators and the member libraries, respondents were asked to address items related to future scenarios for the Wisconsin shared ILS landscape. This section reports on the results of these questionnaire items.

One set of questions, discussed first, were closed-ended Likert scale questions asking respondents to indicate their extent of agreement/disagreement with a set of statements about future directions of Wisconsin shared ILS. The second question asked respondents to provide their ideas in an open-ended manner related to activities that regional systems/consortia should continue even if the State implements a statewide shared ILS. The following sections present the results from the questions.

11.1. Results from the Likert Scale Questions

Both questionnaires asked respondents to indicate their sense of what the Division should consider in the next 2-8 years regarding Wisconsin's shared ILS. Respondents were asked to respond to each item on the respective questions using a Likert scale where:

    Strongly Agree = 1
    Agree = 2
    Neutral = 3
    Disagree = 4
    Strongly Disagree = 5

Seventeen questionnaires were returned by the operators of shared ILS, all of which responded to the questions related to future scenarios. Table 25 presents the summary data to the answers to the items on that questionnaire. The table shows the average Likert Scale value and the most frequently chosen value (i.e., Mode). The averages in Table 25 are generally in the middle of the Likert Scale (where 3=Neutral); this is in part due to the range of responses from the 17 respondents. As Table 26 shows, the responses to each of the questionnaire items range from 1 (Strongly Agree) to 5 (Strongly Disagree). Table 27 presents a summary for the distribution of Likert scale response, showing the number (N) of respondents choosing each Likert scale value and percentage of total responses choosing that Likert scale value.

Table 25. Future Scenarios Summary Results from Shared ILS Operators

Questions	N Responding	Average from Likert Scale	Mode
7.1 In the approximate timeframe of the next 4-8 years, Wisconsin should make it a priority to implement a statewide shared ILS system for all public libraries.	17	2.7	3
7.2 In such a statewide Wisconsin shared ILS system, membership should be open to all types of libraries.	17	3.0	3
7.3 In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to reduce the number of existing shared ILS by combining or merging existing shared ILS systems.	17	2.6	2
7.4. In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to support a single vendor providing all shared ILS systems (whether for existing or merged shared ILS).	17	2.9	3

Table 26. Future Scenarios Individual Responses from Shared ILS Operators

Shared ILS	Questions			
	7.1	7.2	7.3	7.4
Eastern Shores Library System – EasiCat	2	3	2	1
Indianhead Federated Library System (Dynix) – BCLIC	1	1	5	5
Indianhead Federated Library System (Innovative) – MORE	3	2	1	3
Kenosha County Library System – Kenosha Katalog	3	3	3	3
Lakeshores Library System – WAVE	1	1	1	2
Manitowoc-Calumet Library System – LARS	3	1	2	1
Mid-Wisconsin Federated Library System – BRIDGES	2	3	2	1
Mid-Wisconsin Federated Library System – WACCOOL	4	4	3	5
Milwaukee County Federated Library System – CountyCat	1	1	2	3
Northern Waters Library Service – Merlin	1	4	1	1
Outagamie Waupaca Library System – OWLSnet	3	5	2	1
South Central Library System – LINK	5	5	5	5
Southwest Wisconsin Library System -- Net Southwest	1	5	1	3
Waukesha Public Library – Café	5	5	5	5
Winding Rivers Library System – WRLSWEB	3	3	3	3
Winnefox Library System – WALS	3	3	4	3
Wisconsin Valley Library Service – V-Cat	5	2	2	5

Table 27. Distribution of Shared ILS Operators Responses for Future Scenarios

Questions		Likert Scale Responses				
		1	2	3	4	5
7.1 In the approximate timeframe of the next 4-8 years, Wisconsin should make it a priority to implement a statewide shared ILS system for all public libraries	N = 17	5	2	6	1	3
	%	29%	12%	35%	6%	18%
7.2 In such a statewide Wisconsin shared ILS system, membership should be open to all types of libraries	N = 17	4	2	5	2	4
	%	24%	12%	29%	12%	24%
7.3 In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to reduce the number of existing shared ILS by combining or merging existing shared ILS systems.	N = 17	4	6	3	1	3
	%	24%	35%	18%	6%	18%
7.4. In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to support a single vendor providing all shared ILS systems (whether for existing or merged shared ILS).	N = 17	5	1	6	0	5
	%	29%	6%	35%	0%	29%

A total of 78 individual libraries returned questionnaires, and most of those completed the item related to future scenarios. The same Likert scale was used for responses. Table 28 presents the summary of responses to the items. The table shows the average Likert scale value and the most frequently chosen value (i.e., Mode).

Table 28. Future Scenarios Summary Results from Member Libraries

Questions	N Responding	Average from Likert Scale	Mode
5.1 In the approximate timeframe of the next 4-8 years, Wisconsin should make it a priority to implement a single statewide shared library automation system for all public libraries.	76	2.8	2
5.2 In such a statewide Wisconsin shared library automation system, membership should be open to all types of libraries.	75	2.4	2
5.3 In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to reduce the number of existing shared library automation system by combining or merging existing shared library automation system systems.	75	2.7	3

Questions	N Responding	Average from Likert Scale	Mode
5.4. In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to have a <u>single vendor</u> provide all shared library automation systems <u>used by public libraries</u> (whether for existing or merged shared library automation systems).	76	3.0	3
5.5 In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to have a <u>single vendor</u> provide <u>ALL</u> shared library automation systems currently used by all Wisconsin libraries (whether for existing or merged shared library automation systems).	74	3.2	3

Table 29 presents a summary for the distribution of Likert scale response, showing the number (N) of respondents choosing each Likert scale value and percentage of total responses choosing that Likert Scale value.

Table 29. Distribution of Member Libraries Responses for Future Scenarios

Questions		Likert Scale Responses				
		1	**2**	**3**	**4**	**5**
5.1 In the approximate timeframe of the next 4-8 years, Wisconsin should make it a priority to implement a single statewide shared library automation system for all public libraries.	N = 76	9	25	20	14	8
	%	12%	33%	26%	18%	11%
5.2 In such a statewide Wisconsin shared library automation system, membership should be open to all types of libraries.	N = 75	20	24	15	8	8
	%	27%	32%	20%	11%	11%
5.3 In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to reduce the number of existing shared library automation system by combining or merging existing shared library automation system systems.	N = 75	11	17	25	16	6
	%	15%	23%	33%	21%	8%
5.4. In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to have a <u>single vendor</u> provide all shared library automation systems <u>used by public libraries</u> (whether for existing or merged shared library automation systems).	N = 76	9	17	23	17	10
	%	12%	22%	30%	22%	13%
5.5 In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to have a <u>single vendor</u> provide <u>ALL</u> shared library automation systems currently used by all Wisconsin libraries (whether for existing or merged shared library automation systems).	N = 74	4	10	24	23	13
	%	5%	14%	32%	31%	18%

11.2. Individual Respondents' Comments

Both questionnaires asked respondents an open-ended question related to future scenarios. The question was intended to identify what services and functions should be retained at the public library system level if a single statewide shared ILS was implemented. Appendix X presents the set of responses of both the shared ILS operators and the member libraries to this item on their respective questionnaires.

11.3. Factors to Consider in Enlarging Size of Shared ILS

Operators of shared ILS and member libraries were asked to indicate what they considered to be key factors related to the size of shared ILS or implementing a statewide shared ILS. Table 30 shows the responses of the shared ILS operators to a question related to the factors for an optimal size of a shared ILS. The member libraries also were asked to indicate what their considerations or concerns would be if they were to join a larger (or even statewide) shared library automation system. Appendix Y contains their responses.

11.4. Summary

The responses to the Likert scale questions from both questions show a wide range of responses. Those responses suggest some general support for several of the statements. For example, items 7.1 and 5.1:

> 7.1   In the approximate timeframe of the next 4-8 years, Wisconsin should make it a priority to implement a statewide shared ILS system for all public libraries
> 5.1   In the approximate timeframe of the next 4-8 years, Wisconsin should make it a priority to implement a single statewide shared library automation system for all public libraries.

Seven respondents (41%) from operators of shared ILS and thirty-four (45%) of the individual libraries agreed (either Strongly Agree or Agree) with the statements.

There was even a higher level of agreement for operators of shared ILS with item 7.3 where 59% of the respondents agreed (Strongly Agree or Agree) with the statement:

> 7.3   In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to reduce the number of existing shared ILS by combining or merging existing shared ILS systems.

But only 38% of the individual libraries agreed (Strongly Agree or Agree) with item 5.3:

> 5.3   In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to reduce the number of existing shared library automation system by combining or merging existing shared library automation system systems.

Another item where the level of agreements of the two respondent groups differed was on items 7.2 and 5.2:

> 7.2   In such a statewide Wisconsin shared ILS system, membership should be open to all types of libraries
> 5.2   In such a statewide Wisconsin shared library automation system, membership should be open to all types of libraries

Only 36% of the operators of shared ILS agreed (Strongly Agree or Agree) with this statement while 59% of the individual libraries agreed.

For items 7.4 and 5.4:

> 7.4. In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to support a single vendor providing all shared ILS systems (whether for existing or merged shared ILS).
> 5.4. In the approximate timeframe of the next 2-4 years, Wisconsin should make it a priority to have a single vendor provide all shared library automation systems used by public libraries (whether for existing or merged shared library automation systems)

There were similar percentages of respondents in each group that Strongly Agreed and Strongly Disagreed with the statements.

For many of the items, between one quarter and one third (or more) of respondents chose Likert scale value 3, which meant they were neutral on the items. This may point to the need for much more discussion among all the stakeholder groups on these key issues related to future decisions by the Division regarding Wisconsin's shared ILS landscape.

Table 30. Key Factors for Optimal Size for Shared ILS from Perspective of Shared ILS Operators

Shared ILS	Key Factors for Optimal Size from Perspective of Shared ILS Operators
Eastern Shores Library System	• **Size of libraries** • **Geographic location of libraries** • **Financial resources of libraries** • **Philosophical view of sharing materials in shared system**
Indianhead Federated Library System / Dynix	• **Availability – number of books per patron** • **Delivery – how fast can a patron actually get a book from a system far, far away** • **Number of holds for best sellers – our Barron/Rusk County system actually gets best sellers to patrons faster than huge systems in the Minneapolis/St Paul area**
Indianhead Federated Library System / Innovative	• **Telecommunications infrastructure including regional WAN** • **Decision making structure** • **Geographic area covered** • **Appropriate amount and level of system staff**
Kenosha County Library System	
Lakeshores Library System	• **Delivery** • **How the patrons will use the system** • **Training of staff**
Manitowoc-Calumet Library System	• **Existing borrowing patterns within a region** • **Local autonomy and effectiveness at serving patrons versus economies of scale** • **reasonable ability for member libraries to meet together (geography)** • **access to supportive services and ILS administrative personnel; physical delivery of materials between all participants in the shared ILS**
Mid-Wisconsin Federated Library System BRIDGES	• **Initial startup costs** • **ongoing maintenance costs** • **governance** • **delivery**
Mid-Wisconsin Federated Library System WACCOOL	• **I think this is a critical question! It seems to me that the common view is bigger is always better… and yet I think a shared system can certainly get too big. To me some problem areas (which would be red flags to me, indicating the system was too big) would be: need to hire additional staff** • **Need to deploy additional vans for delivery** • **A catalog that could not be kept "clean"** • **Slow search response times** • **imbalance in net lending/borrowing patterns can spell trouble**
Milwaukee County Federated Library System	• **Delivery system needs to be adequately funded in order to support the quantity of resource. Sharing** • **There needs to be agreement on cataloging model. Centralized cataloging is highly desirable for effectiveness** • **Automated system needs to have the ability to support large public library consortia with features that allow flexibility and functionality needed by multiple parties.**
Northern Waters Library Service	• **Speed & performance** • **Local control vs. standardized procedures** • **Support response times / coordination of IT support** • **Ability to maintain a clean, accurate database** • **Equitable division of costs**

Shared ILS	Key Factors for Optimal Size from Perspective of Shared ILS Operators
Outagamie Waupaca Library System	• **Geography** • **Sufficient mix of members and systems to create a pool of sufficient financial resources** • **Structure needs to result is an agile organization, one able to respond quickly to changing needs.** • **Organizational culture**
South Central Library System	• **Common service goals** • **Sufficient staff to provide support, maintenance, research and development** • **Efficiencies and inefficiencies related to size of geographical service area (i.e. telecommunications, materials delivery, and technical support).** • **If an organization is too large it becomes more difficult to implement change.** • **Shared governance and management.** • **Adequate ongoing funding**
Southwest Wisconsin Library System	• **Adequate staffing to both manage and support the system.** • **A reduction in the cost of participating in a shared automated system for the individual libraries.** • **No decrease in performance of the system.**
Waukesha County Federated Library System	• **Ability to respond quickly & efficiently to member libraries for their service requests and for special/additional services** • **Close geographic proximity of member libraries** • **Close proximity of libraries to system staff and resources**
Winding Rivers Library System	• **Response time** • **ability to support reliable performance over the entire geographic area; participatory yet efficient governing structure** • **reasonably low costs to members** • **transparency of structure to users**
Winnefox Library System	• **Geography—because the impact on delivery, continuing education, training, etc.** • **Responsiveness of staff** • **A group size large enough to have an effective economy of scale, but small enough for the libraries to understand each other's needs and situations** • **A very big system might become a lowest-common denominator system, with little flexibility in meeting the differing needs of libraries of various sizes**
Wisconsin Valley Library Service	• **Keeping the size manageable so that members still feel they have a voice in its operation is important.** • **Keeping the annual maintenance as reasonable as possible so that all sizes of libraries can afford to join is important.** • **Having enough band width for fast response time is crucial.** • **Responding to members needs in a timely manner is important.** • **V-Cat has already reached the size of greatest economy of scale, thus growing it larger does not save costs but does improve services for the new members. Service to the members is extremely important and too easily overlooked in very large systems.**

The range of comments on both questionnaires related to the following items was quite broad:

> 7.5 Currently, library consortia assess an annual membership fee for participation, and part of that fee covers the costs of the member libraries using the shared ILS (see answers to item 6.3). Please list the services and functions that library consortia should continue to provide if Wisconsin implemented a single statewide shared ILS.
>
> 5.5 If a statewide shared library automation system was implemented, what services and functions should your local public library system continue to provide?

Therefore, it will be essential for the Division to understand what local libraries and the operators of the shared ILS see as local services and functions, even if a statewide shared ILS would be implemented.

12. Focus Group Results

Members of the study team conducted three sets of focus group sessions in conjunction with the Wisconsin Library Association Annual Conference in October 2005. Nine participants attended the public library system technology manager's session; sixteen participants attended the public library system director's session; and nine attended the public library director's session.

Overall, the sessions were extremely useful and provided a wealth of information and opinions regarding the status, development, and future of the shared ILS in Wisconsin. In every instance, the sessions could have gone longer than originally planned; participants were involved and engaged in the discussions; the atmosphere was positive and productive; and there was a sense of cooperation and sharing of ideas/opinions. Two study team members maintained detailed notes from the sessions, reviewed the notes after the session, and combined the notes as a basis for the results reported in this section. In addition, a study team member met the day after the focus group session with a group of Division staff to obtain additional information as needed, validate information obtained at the focus groups, or otherwise obtain additional insights as to the focus group discussions that occurred.

The following provides a summary of the key topics and issues that participants discussed at the sessions. What follows is not a verbatim account of the proceedings but rather attempts to identify the most important topics and issues discussed. Within each of the topics below, there is a description of the topic, its importance, and any opinions and recommendations from group members regarding the resolution of issues within that particular topic. Subsequent sections of this report will synthesize the results of the focus groups along with other data collected during the study.

12.1. Topics Addressed in the Focus Groups

This section provides a brief overview of the various topics and issues discussed in the three focus groups. Because of the similarity of the topics and issues raised among the three groups, they are reported together. If a topic was primarily a discussion item for only one or two of the groups, it will be so noted.

12.1.1. Validity of the Surveys

An initial topic posed to all participants was the accuracy with which they could answer the two questionnaires that had been previously distributed, if the cost categories and definitions used in the surveys were appropriate, or if they had any problems with completing the surveys. Some offered suggestions for additional cost categories such as better identification of delivery costs; one person wondered if the cost of the various ("endless") meetings were to be included in costs; and yet another noted that it was difficult for her to estimate personnel costs related to the ILS.

Participants in all three groups, however, agreed that the cost data and other information to be gained from the surveys would be an excellent resource for "getting their hands around the costs associated with the ILS." No one thought that there were any serious flaws with the cost categories identified in the surveys, and no one thought that the data would be biased or skewed. Some thought that it might be

difficult to compare the cost data across libraries or systems due to various situational or idiosyncratic factors that may be unique to a particular library or system. They believed that this was the first comprehensive attempt to obtain such cost data and were very much looking forward to seeing the results.

12.1.2. Being Educated on Costs

A number of participants commented that they found the surveys to be especially useful as a tool to assist them in better understanding the costs in their library or system related to the shared ILS. One person commented that although some of the costs that were requested on the survey were difficult to either obtain or compute, it was "a real education" to begin identifying and understanding all the various costs that were associated with the shared ILS. Still another said that after completing the survey he/she was quite surprised with the total amount of costs associated with the shared ILS in his/her system. Others agreed with this assessment but some others felt that they already knew the general costs without having to complete a survey.

12.1.3. Costs versus Quality

Participants wanted to make certain that the study team members did not confuse the costs of operating the shared ILS with the quality of services provided by the different shared ILS and public library systems. They pointed out that although the results from the study might show that the cost per circulation might be 5 times higher in one system versus another there might be good reasons for the higher cost. Factors that might come into play in the costs-quality relationship included:

- Functionality of one vendor's system versus another (e.g., Dynix versus Innovative)
- The licensing "deal" that one system might obtain versus another
- Governance structures
- Technology infrastructure in the system that supported the shared ILS
- Quality of services from one system versus another (e.g., "better quality costs more money")
- Willingness of member libraries to provide more or less support for the shared ILS.

But when pressed as to specific quality indicators that could or *should* be used as a basis for comparing one system's services to another, there were limited strategies in place or proposals for how such might be done.

12.1.4. Delivery Costs

A number of the participants, in different discussions, referenced the rising costs related to materials delivery and the concern that these costs were becoming significant. Although they recognized the importance of delivery as part of the system there was also a sense that additional thought might be given to better understanding and managing these costs. Some thought that data from the current study might help to better identify delivery costs and assist in rethinking the management of the costs. [It should be noted that neither questionnaire asked for specific cost data on delivery of materials.]

12.1.5. Quality of the Technology

A primary discussion topic with the technology managers was the degree to which they believed they had up-to-date technology and that the technology provided a quality infrastructure to support the shared ILS. Both here and in other focus group sessions there was little criticism about the technology infrastructure. Generally, participants indicated that they obtained the technology they needed when they needed it to support the shared ILS. Some indicated the likely need for increased bandwidth in the near term. Governance structure affected the ease with which upgrades could be done or technology was purchased, but participants believed that although they might not be at the cutting edge of technology infrastructure, the existing structure was adequate to meet their requirements.

The technology managers also noted the wide range of technology support that was available both within their libraries and across the systems. In a number of instances they reported that the burden of tech support fell directly on them to the degree that they could solve the problem. Others said that the system

could provide member libraries with tech support but others reported that this was not universally true. The general sense was that more and better technology support to operate the shared ILS (and other systems) would be a good thing.

12.1.6. Governance Issues

A common theme throughout the various focus groups was the differences in governance and how governance might affect the management of the shared ILS. Some participants reported on "cumbersome" governance structures that included additional committees, etc., for the management of the shared ILS. In these instances there was some frustration with the time required to make decisions or reach consensus. Others indicated that certain key libraries, systems, or individuals just "handled" management issues, and it was generally okay with others.

Generally, participants agreed that consensus-based decisions among members within a system were the preferred governance model. Others noted that another model was the "Leading Edge Library Model," in which the system library or a member library simply went forward with the innovation or purchased new technology/services that typically benefited others. One implication of these governance issues was the amount of approval time needed to upgrade or purchase technology. Another implication was that "some personalities seemed to be better at managing the ILS while others were not." Despite these and other issues, there seemed to be general satisfaction with the manner in which governance occurred in most system structures.

12.1.7. Accountability

The study team asked about the overall amount of accountability in the management of the shared ILS and more specifically, the degree to which the systems felt they were (or needed to be) accountable to the State and the degree to which the systems were accountable to the member libraries.

Few of the system directors indicated that a member library had ever pressured them to justify or be accountable for the fees that the member library provided the system to participate in the shared ILS – although one individual said this had, in fact, happened to him recently. For their part, the library directors saw little need to have a complete accounting from the systems regarding the ILS. Indeed, one library director commented, "Why would I want to do that?" And the person went on to say that the shared ILS works extremely well, he/she received significant benefits from participation, access to information was significantly enhanced, and everything seemed to be running very smoothly.

The system directors felt that they provided adequate information to the State but when pressed, noted that they often did not have as comprehensive a picture of the costs as were requested from this study' questionnaire. Some had more sophisticated cost analysis techniques for their system in place than others. Some saw having more detailed information on costs as useful; some were less certain of the benefits. Some participants commented that they thought they had good control over cost data until they had to complete the questionnaire and then realized that the range of possible costs were significant.

The general sense from both the system and library directors was that if the Division wanted more detailed shared ILS cost information on a regular basis, it should develop a method to report such, give the directors some advance warning so they could begin collecting the data, and then simply ask them to report the necessary information. When asked if better data about the shared ILS might contribute to better state government funding of the system they were not sure but generally agreed that it probably would not hurt to have better data and to be better able to justify expenditures and demonstrate benefits.

12.1.8. Performance Measures and Outcomes Assessment

Closely related to the above topic of accountability, when the facilitators asked if there was a clear sense of the goals, objectives, and intended outcomes for the shared ILS, no one seemed to know of any that had been formally developed – although a few of the participants suggested possible candidate goals and objectives. Library systems do have a statutory obligation to facilitate resource sharing. The Division has a longstanding commitment to resource sharing and Wisconsin is consistently ranked first or second in the country in per capita interlibrary loan. To support this commitment the Division has allocated over $1.4

million in the past five years in federal LSTA funds to assist libraries to join shared ILS. Participants agreed that having such measures and outcomes, as well as clear methods for collecting the data related to the measures and outcomes, were a good idea. They recognized that such measures – both for the systems overall and within the systems – could assist both the Division and the public library systems better justify the importance of the shared ILS. Demonstrating this importance and the benefits through agreed upon performance measures and outcomes might increase funding. But, they did not want to be "buried" in reporting activities to produce such measures.

12.1.9. Funding the Shared ILS
State law allows library systems to be funded at an indexing level of 13% of local library expenditures. Over the past several biennial budgets the State's funding has been in the 8-10% range rather than the maximum of 13% that is allowed by statute. Overall the State provides approximately $15 million annually to support the systems. Participants pointed out that the majority of support for the shared ILS came from local sources and fees. All agreed that it would be important for the State to move to a 13% level of support as allowed to do by law. There was less agreement that such would occur anytime in the near future.

12.1.10. Net Lenders and Net Borrowers
Participants noted that some additional costs accrued to some libraries and systems throughout the shared ILS that were net lenders. They reported that within a system some libraries might be net lenders. Providing compensation for libraries within a system for being net lenders they believed was the responsibility of the system and not the State. They also reported that between the various systems, some libraries were net lenders and that no compensation was provided by the State in such intersystem lending. All agreed that additional thought should to be given to providing state-based compensation for systems and their member libraries that were net lenders to libraries in other systems.

When asked how such interlibrary system compensation might be provided there was no clear consensus although a number of participants thought that some type of a formula might be developed that would compensate a net lender based on the degree to which the system was, in fact, a net lender. They believed that data were available that could specify which systems were net lenders in the context of a shared ILS (some thought that computation of net lenders should also include transactions in other systems such as OCLC) and indicated an interest in seeing comprehensive data of net lenders and net borrowers for the previous few years.

12.1.11. Consolidations
A key topic that received much attention in all the focus groups was the consolidations across the shared ILS landscape and the appropriateness of moving toward a statewide shared ILS. First, it was pointed out that some of the systems were currently consolidating their ILS efforts into a single system. Participants believed that it was likely that such consolidations, that is, libraries from two or more systems using one shared ILS would likely continue in the future. In general, there seemed to be a number of factors affecting the likelihood of such occurring:

- Political landscape: Were the two systems able to work together effectively and were the personalities among key players compatible?
- Geography: Systems in closer proximity to each other might be more inclined to consolidate.
- Costs: Would the consolidation result in reduced overall costs and would the reduced costs benefit the systems considering the consolidation?
- Services: Would the quality or range of services be improved or expanded from what currently was available?

Participants noted that how additional consolidations might evolve was dependent not only on these factors but situational factors that may be unique to the specific systems considering consolidation. But generally, participants expected the shared ILS to be further consolidated among the systems – while the systems certainly would not merge, their shared ILS might.

In terms of developing a statewide ILS, that is, one shared ILS that would be used by all the systems and their member libraries, most participants found this to be an unlikely development. While it might be a useful long term goal for 5-10 years out, the existing use of multiple vendors, political considerations, and inability for many systems to simply migrate to a new system mitigated against such a development. At best, there might evolve a system of regional ILS such that the total number of ILS in the state might be reduced to 8-10. Frequently, participants were not sure how big was too big when discussing consolidation. But there was some thought that one statewide ILS would be too big and cumbersome to be effective.

12.1.12. Expanding Membership in the Systems

Participants indicated that there were a number of factors that would affect the goal of expanding membership within a shared ILS. Some noted that there were no additional public libraries in their area that did not already belong to a shared ILS. Others noted that they were in the process of discussing with non-participants the benefits in belonging to the shared ILS. Still others noted that due to personalities, politics, or other factors, certain library directors or board members "will have to die or move" before they would participate in an existing shared ILS.

One topic related to expansion of participants in the ILS had to do with the inclusion of school libraries. There were a number of strong views on the topic of those who thought that having schools join as part of the ILS in their system was a good idea or a bad idea. Some thought the involvement of schools might reduce overall costs for the ILS and others did not. Still others thought it might simply expand the work load and provide few benefits to other members. No consensus was reached on the advisability of involving schools or not except that once again, it may be situational factors that make it beneficial to involve schools for one shared ILS that may not apply in other shared ILS.

12.1.13. Hooked on the Shared ILS

Some participants bemoaned the rising costs of participating in the shared ILS but admitted that they were "hooked" and that it would take a huge cost increase for them to withdraw. As one person pointed out, "success breeds success," meaning that the better and more successful the ILS became, the more transactions and other benefits accrued, resulting in greater operational costs. Another person likened themselves to being junkies in that they would cut book expenditures or other library costs as need be to maintain membership and pay for additional ILS costs.

12.1.14. What is a Shared ILS?

A subtle theme that crossed over a number of the topics was determining what, exactly, is a shared ILS in Wisconsin. Participants agreed that it was likely that different people in the room probably had different definitions for what their shared ILS was. Such was likely because different shared ILS and public library systems provided different services and benefits as part of the shared ILS. But some participants thought that a lack of a common vision for what the shared ILS in Wisconsin should be was an issue that affected the degree to which future planning for the shared ILS landscape would occur or the degree to which the shared ILS might be better coordinated with other statewide projects such as WISCAT.

12.1.15. Leadership from the Division

In a number of instances the participants believed that additional leadership, vision, and innovativeness from the Division would be necessary to reach the next level of excellence regarding the shared ILS. They thought that better data, agreement on performance measures and outcomes, and new models for the shared ILS or combining it with other statewide projects could come from the Division. They agreed that it was to the benefit of everyone (Division, systems, and member libraries) to be better able to make the case for additional money to support the shared ILS. They also agreed that it was to the benefit of everyone to demonstrate the impact and importance of the shared ILS – marketing these benefits, especially to the legislature, always required effort and attention.

12.2. Summary and Conclusions

Overall, participants believed that the shared ILS work quite well and were pleased with its development and day-to-day operation. They were most interested in reviewing the data that would result from the study and were especially interested in reaching a better understanding of what, exactly, the costs were and who was paying what. They believed that additional consolidations among systems in terms of combining the shared ILS services would occur but had little confidence that a statewide shared ILS could be established. There was much concern about escalating costs related to the ILS, the need for the State to make good on the 13% contribution, and to better manage costs. But ultimately, many of the participants agreed that they were "hooked" on participation in the shared ILS and thought that the benefits resulting from it were significant and pervasive.

13. Study Findings

The preceding sections have presented the results of the study's data collection. Based on the data collected and analyzed, we can now address the study objectives (see Section 2). This section uses the data collected to respond to each of the study objectives.

13.1. Addressing the Primary Objectives

There were six primary study objectives; these were mandatory objectives to be addressed by the study.

13.1.1. Primary Objective 1

This objective asked: ***What are the actual annual costs of operating each shared ILS in the state including hardware, software, maintenance, upgrades/replacements and staffing at the system and local library levels?***

Section 7 and associated appendixes presented the results from the data collection related to costs of operating the shared ILS. As noted in that section, all data were self-reported by both operators of shared ILS and the sample of member libraries selected for the survey. In addition, we noted that not all shared ILS have in place either a separate budget or detailed line items for recording costs for operating the shared ILS. Given the variance of costs reported by member libraries, it is also likely that there is a wide range of practices within the member libraries for identifying and recording accurate cost data related to their participation in the shared ILS.

For the shared ILS operating costs, we asked respondents to provide cost data for the following categories of potential expenses:

- Personnel Costs
- Software Costs
- Buildings and Grounds Costs
- Vehicle Costs
- Travel & CE Costs
- Marketing and Public Relations Costs

- Liability Insurance Costs
- Supplies, Postage, & Printing Costs
- Telephone & Telecomm Costs
- Equipment & Maintenance Costs
- Professional Services Costs
- Shared ILS Contractual Costs

Costs related to personnel and software costs (with the exception of Waukesha Public Library – Café) were reported by all shared ILS operators. For all the other cost categories, one or more (and in some cases most) shared ILS operators indicated that a particular category was not applicable.

Reported annual operating costs ranged from a high of $1,466,029 (South Central Library System – LINK) to a low of $42,159 (Indianhead Federated Library System (Dynix) – BCLIC). Table 31 presents the annual operating costs for each of the shared ILS in order from highest to lowest.

Cost figures need to be analyzed within context, and Table 31 includes several additional data points including number of members of the shared ILS, the number of bibliographic and item records in the

shared database, and percent of population served of the member libraries. The information collected from the member libraries about their satisfaction and the benefits of belonging to a shared ILS reflected a generally high level of satisfaction and very clear statements of benefits. The Division may want to consider mechanisms for formally assessing cost-benefit and cost-efficiencies of individual shared ILS.

The variance of annual operating costs may reflect the different vendors and products used in the individual shared ILS (see Section 13.1.4 below for discussion of the functionality available in the different shared ILS). Table 32 shows cost data (total annual operating costs and reported software costs) grouped by the vendor products used in the shared ILS. The variation in software costs may reflect a number of factors, but the data should be of interest to the shared ILS that use a specific vendor product to examine licensing agreements and compare costs with other shared ILS that have licensed the same product.

Staffing at the shared ILS and total personnel costs are reported in Table 33. Full-time equivalent (FTE) staff at the shared ILS ranges from less than 1 (Eastern Shores Library System – EasiCat) to more than 5 (Winnefox Library System – WALS). Appendix L, Table L-12 shows the reported data for personnel costs and one can see the range of responses for the component personnel costs from the shared ILS operators.

The costs reported by the 78 member libraries that completed the questionnaire show similar or even greater variance than the annual operating costs reported by the shared ILS operators. Appendix Q contains the costs incurred by the member libraries to participate in a shared ILS. These costs should likely to be seen as indicative that member libraries do incur local costs for participation, but the Division should consider the development of a reporting mechanism for the local libraries to identify and record costs to participate in a shared ILS. Section 3.3 discussed concerns of the study team with these self-reported data.

The study team attempted through the questionnaires to collect the most accurate data. The questionnaires were reviewed by the Division and sample representatives of the shared ILS and the member libraries to clarify the questions to ensure the data collected would address the various cost categories. In addition, the participants in the three focus groups were asked about questionnaires related to the cost data that was collected. To quote from Section 12.1.1. above:

> No one thought that there were any serious flaws with the cost categories identified in the surveys, and no one thought that the data would be biased or skewed. Some thought that it might be difficult to compare the cost data across libraries or systems due to various situational or idiosyncratic factors that may be unique to a particular library or system.

It needs to be noted that the questionnaires only requested cost data for one year, and such a snapshot of costs may reflect one-year anomalies. Cost data over a period of years may offer more accurate and reliable costs reflective of annual operating costs. In Section 14 below, the study team makes a series of recommendations to the Division about future collection of cost data.

Table 31. Annual Operating Costs in Context with Other Size Data

Shared ILS	Total Costs Reported	Number of Libraries in Public Library System	Number of Member Libraries in Shared ILS	Number of Patrons in Patron Database	% of Population Served (by member libraries) Represented in Patron Database	Number of Bibliographic Records	Number of Item Records
South Central Library System – LINK	$1,466,029	50	39	394,485	62%	747,700	2,871,600
Milwaukee County Federated Library System – CountyCat	$963,528	15	15	528,000	56%	1,566,600	4,712,400
Winnefox Library System – WALS	$702,364	30	26	220,000	72%	537,00	1,701,000
Outagamie Waupaca Library System – OWLSnet	$611,093	[1]	30 [1]	246,435 [3]	59% [3]	618,700	1,621,200
Waukesha Public Library – Café	$353,685	16	14	231,816	77%	606,259	1,452,880
Indianhead Federated Library System (Innovative) – MORE	$284,631	[2]	33	158,379	49%	482,500	1,221,400
Northern Waters Library Service – Merlin	$280,877	29	22	74,600	57%	360,600	700,900
Lakeshores Library System – WAVE	$275,463	15	24 [4]	168,866	55%	550,000	1,000,000
Southwest Wisconsin Library System – Net Southwest	$248,584	27	26	58,547	49%	237,600	491,200
Winding Rivers Library System – WRLSWEB	$213,428	35	27	150,700	83%	271,800	724, 100
Wisconsin Valley Library Service – V-Cat	$207,770	26	21	71,700	53%	326,800	660,500
Eastern Shores Library System – EasiCat	$205,383	13	15 [5]	135,269	68%	572,300	1,188,200
Manitowoc-Calumet Library System – LARS	$159,018	6	6	72,384	62%	349,307	557,082
Kenosha County Library System – Kenosha Katalog	$153,685	2	2	82,682	53%	271,300	819,00
Indianhead Federated Library System (Dynix) – BCLIC	$42,159	[2]	9	35,787	58%	147,900	235,900

1 OWLSnet serves libraries in both Outagamie Waupaca and Nicolet systems. There are 15 libraries in the Nicolet system and 16 in the Outagamie system.
2 There are 57 libraries in the Indianhead Public Library System.
3 Reflects population served and patrons for libraries in Nicolet and Outagamie Waupaca systems.
4 Lakeshores Library System WAVE shared ILS has member libraries from Mid-Wisconsin Federated Library System at the time of the study
5 The shared ILS includes two schools..

Table 32. Total Annual Operating Costs for Different Vendor Products

Shared ILS	Total Costs Reported	Vendor Product	Software Costs
South Central Library System – LINK	$1,466,029	Dynix Classic	$108,209
Manitowoc-Calumet Library System – LARS	$159,018	Dynix Classic	$34,096
Indianhead Federated Library System (Dynix) – BCLIC	$42,159	Dynix Classic	$15,114
Southwest Wisconsin Library System – Net Southwest	$248,584	Dynix Horizon	$14,338
Winding Rivers Library System – WRLSWEB	$213,428	Dynix Horizon	$52,346
Wisconsin Valley Library Service – V-Cat	$207,770	Dynix Horizon	$17,489
Eastern Shores Library System – EasiCat	$205,383	Dynix Horizon	$39,963
Kenosha County Library System – Kenosha Katalog	$153,685	GEAC	$51,861
Outagamie Waupaca Library System – OWLSnet	$611,093	GEAC Libs Plus	$86,652
Milwaukee County Federated Library System – CountyCat	$963,528	Innovative Millennium	$163,278
Indianhead Federated Library System (Innovative) – MORE	$284,631	Innovative Millennium	$65,858
Northern Waters Library Service – Merlin	$280,877	Innovative Millennium	$31,662
Winnefox Library System – WALS	$702,364	Sirsi Unicorn	$80,085
Waukesha Public Library – Café	$353,685	Sirsi Unicorn	None Listed
Lakeshores Library System – WAVE	$275,463	Sirsi Unicorn	$89,189

Table 33. Staffing FTE and Costs for Shared ILS

Shared ILS	Total FTE	Total Cost
Eastern Shores Library System – EasiCat	.85	$63,526
Indianhead Federated Library System (Dynix) – BCLIC	None Listed	$20,000
Indianhead Federated Library System (Innovative) – MORE	2.89	$186,593
Kenosha County Library System – Kenosha Katalog	1.2	$68,224
Lakeshores Library System – WAVE	None Listed	$135,528
Manitowoc-Calumet Library System – LARS	1	$73,910
Milwaukee County Federated Library System – CountyCat	2.6	$226,953
Northern Waters Library Service – Merlin	2.55	$150,115
Outagamie Waupaca Library System – OWLSnet	5.2	$293,387
South Central Library System – LINK	None Listed	$701,688
Southwest Wisconsin Library System – Net Southwest	3.6	$172,996
Waukesha Public Library – Café	None Listed	$200,682
Winding Rivers Library System – WRLSWEB	1.7	$63,900
Winnefox Library System – WALS	5.6	$364,027
Wisconsin Valley Library Service – V-Cat	2.63	$136,479 (est)

13.1.2. Primary Objective 2

This objective asked: ***Who pays for what costs of the shared ILS and related services (e.g., cataloging)?***

The study team asked shared ILS operators to identify the revenues used to pay for annual operating costs. Section 7.2 discussed the various sources and amounts of revenue reported by the shared ILS operators. Table 21 (further detailed by tables in Appendix M) summarized the various sources and amounts of revenue. Since the State provides Library System Aid annually, it is interesting that several of the shared ILS did not indicate that some of that aid goes to the operation of the shared ILS. One reason for this is that some shared ILS do not record a specific allocation of that aid to the operation of the system.

Table 34 shows the two major sources of funds for shared ILS operations reported by the respondents:
- Membership Revenues
- State Library System Aid

In addition, Table 34 lists the percentage of total revenue reported accounted for by these two categories of revenues. (Note: Total Revenues may include other sources than those listed in the table.) In at least three cases, Library System Aid accounts for more than 50% of funds used for annual operating costs. Five shared ILS reported that more than 90% of the annual operating costs are funded by fees paid by member libraries.

As noted in Section 7.3, member fees, especially when identified as annual membership fees often pay for a broader range of services than simply the use of the shared ILS. Appendix L, Table L-22 reports the data from the shared ILS operators for various services (which as expenses of the system or the shared ILS) that are provided to member libraries as part of their annual membership fee.

Table 34. Major Sources of Funding for Shared ILS Operations

Shared ILS	2004 Membership Fees	2004 State Library System Aid Used for Shared ILS Operation	Total Revenue (may include other sources)	Percent of Total from Member Fees	Percent of Total from Library System Aid	Percent of Total Revenues From Fees and Aid
Eastern Shores Library System – EasiCat	$172,052	$56,688	$228,740	75%	25%	100%
Indianhead Federated Library System (Dynix) – BCLIC	$42,114		$42,114	100%	0	100%
Indianhead Federated Library System (Innovative) – MORE	$271,413	$129,649	$419,696	65%	31%	96%
Kenosha County Library System – Kenosha Katalog			$139,317	0	0	
Lakeshores Library System – WAVE	$147,983	$201,290	$365,773	40%	55%	95%
Manitowoc-Calumet Library System – LARS	$128,121	$25,782	$162,503	79%	15%	94%
Milwaukee County Federated Library System – CountyCat	$363,139	$700,000	$1,115,707	33%	63%	96%
Northern Waters Library Service – Merlin	$120,168	$110,907	$264,309	45%	42%	87%
Outagamie Waupaca Library System – OWLSnet (Outagamie and Nicolet figures)	$714,962	$32,332	$765,458	93%	4%	97%
South Central Library System – LINK	$2,440,256	$120,853	$2,586,460	94%	5%	99%
Southwest Wisconsin Library System – Net Southwest	$244,385		$248,585	98%	0	98%
Waukesha Public Library – Café	$714,450		$1,009,450	71%	0	71%
Winding Rivers Library System – WRLSWEB	$209,512	$16,218	$316,156	66%	5%	71%
Winnefox Library System – WALS	$629,447		$668,987	94%	0	94%
Wisconsin Valley Library Service – V-Cat	$90,000	$145,000	$255,739	35%	57%	92%

13.1.3. Primary Objective 3

This objective asked: ***What are the different funding models used in each of the shared ILS?*** More specifically, the objective asked: ***How much of the cost is paid by the library consortium and how much is paid by library members of the shared ILS?***

Section 13.1.2. presented information that addresses this objective. Most of the shared ILS use a model for funding that has member libraries pay fees for participating in the shared ILS. Appendix N lists the

data reported by the shared ILS operators for the amount of member fees collected to support the shared ILS (and in some cases, additional services provided by the shared ILS or the system). There is a wide variation in the fees collected by the shared ILS. For example, Allen-Dietzman Public Library (Southwest Wisconsin Library System – Net Southwest) paid $1,469 in 2004. Madison Public Library (South Central Library System – LINK) paid over $500,000.

In some cases, such as the Indianhead Federated Library System (MORE) and Northern Waters Library Service, the shared ILS offer credits to member libraries to reduce their overall annual fees.

13.1.4. Primary Objective 4

This objective asked: *What services are offered as part of the shared ILS?* More specifically, the objective asked: *What ILS modules are offered? What other services are offered (e.g., centralized cataloging, training)?*

Section 5 summarized the functionality available in each of the shared ILS from the vendor products installed (see also Appendix H for detailed information). Four vendors account for all shared ILS implementations (and with the recent merger of Sirsi and Dynix, this results in only three ILS vendors' products used in the shared ILS). Only three of the various functionalities are present in all shared ILS (i.e., cataloging. OPAC, and patron functions).

Additional functionality and services beyond those listed in Table 11 are available from the vendor's product, and additional functionality and services provided through the shared ILS come from third-party vendors (e.g., enhanced data for online catalog). Table 12 summarized the additional functionality reported by the shared ILS operators. As once can see in the list of responses, there may be some misunderstanding of functionality offered by the shared ILS product (or third-party vendors) versus services and resources available through the shared ILS system. For example, shared ILS operators listed things such as NetLibrary, Newspaper Indexes, EZ Proxy, MARC Magician, BookWhere, and others that could be considered outside of the shared ILS.

The questionnaire also solicited information from shared ILS operators about membership categories available in the shared ILS and the associated services available. Appendix J presents the responses by the shared ILS operators on the types of memberships and associated services. The descriptions vary from general statements such as "all available services and features" to detailed descriptions of what the member libraries received. Appendix K lists the responses from the member libraries for non-shared ILS services they receive from their system and/or shared ILS.

At the outset of this report, we quoted Lorcan Dempsey reflections on the integrated library system. During the data collection, the study team was asked by some respondents what is meant by the shared ILS in terms of the scope of costs to report. For the questionnaire to the member libraries, the study team was advised to use the term "shared library automation system" rather than the term "shared integrated library system" since member libraries might not know what shared ILS meant.

Dempsey suggests that the ILS itself manages a smaller part of overall library services now than in the past. While many services may be presented to the users through web interfaces that give the appearance that the users are engaging with a single system, from the perspective of librarians and managers of the shared ILS, it is important to differentiate and understand what is or is not part of the shared ILS. We take this idea up again in our recommendations and conclusions.

13.1.5. Primary Objective 5 and 6

Because of the similarity of objectives 5 and 6, we address them together in this section. Objective 5 asked: *Is there an optimal size for a shared ILS, considering such factors as geographic area, including the impact on delivery services, collection size, number of participating libraries, ongoing maintenance and upgrades, staffing and related support services?* Objective 6 asked: *Is it more efficient to have fewer (and thus larger) shared ILS?* More specifically, the objective asked: *Is it*

feasible to have one large shared ILS for all public libraries in the state? Is it more cost effective to have multiple shared ILS but have them provided by a single vendor?

The study team proposed in its response to the RFP that one way to address these questions was to use the data collected in the study as a basis for developing an Request for Information (RFI) that could be sent to vendors of shared ILS to get their responses on issues of costs for fewer and larger shared ILS or a statewide shared ILS to replace the existing shared ILS.

To gauge opinions about the future of Wisconsin's shared ILS landscape, the questionnaires sent to shared ILS operators and member libraries solicited responses about several future scenarios. In addition, the questionnaires also asked respondents to indicate factors that should be taken in consideration when considering larger shared ILS implementations. Section 11 presented the data collected.

In general, a majority of shared ILS operators (59%) were supportive of reducing the number of shared ILS, but only 41% supported the idea that the Division should have as a priority the implementation of a single, statewide shared ILS.

The study also collected factors identified by the shared ILS operators and the member libraries regarding key factors regarding optimal size of a shared ILS. Table 30 presented the responses from the shared ILS operators and Appendix Y has the responses from the member libraries about the size of a shared ILS. As can be seen in both summaries, there are a range of responses. The factors listed, however, can serve as a way of framing the necessary discussions by the Division, shared ILS operators, and member libraries for future realignment of the Wisconsin shared ILS landscape. Workable and acceptable responses to those factors can be developed, but the outcome will depend on open discussion and consensus building.

While the factors related to optimal size have been identified from the data collected, issues of feasibility and efficiency are more problematic. As discussed the results of the focus group sessions in Section 12, there appear to be no performance or other outputs or outcome measures that are being used to assess the shared ILS. Without such measures, it is difficult if not impossible to determine the efficiencies or cost-effectiveness of individual shared ILS. The shared ILS operators and the member libraries have identified many positive benefits of shared ILS.

13.2. Addressing the Secondary Objectives

There were three secondary study objectives; these were optional in the RFP, but the study attempted to collect data to address these objectives.

13.2.1. Secondary Objective 1

This objective asked: *What are the advantages and disadvantages of multitype shared ILS? (Almost all shared systems in the state are of a single type of library.)* More specifically, the objective asked: *What are the impediments to multitype shared ILS? Is joining a shared ILS cost effective for other types of libraries, especially school media centers?*

Section 4.3.1. Membership in the Shared ILS presented the responses of the shared ILS systems regarding the extent to which they allow types of libraries – other than public libraries – as members. It is clear that the membership of the shared ILS is predominantly public libraries. Of the seventeen shared ILS responding, 41% indicated that membership was restricted to public libraries; in the case of Outagamie Waupaca Library System, the shared ILS is available to school/public libraries. While 59% of the respondents indicated that they allow membership to other types of libraries, very few have members beyond public libraries (see Appendix E for the list of libraries that are members of the share ILS). Table 6 presented the data for the shared ILS that do not restrict membership and types of libraries are allowed full membership in the systems.

Both operators of shared ILS and members of shared ILS had varying positions on whether, in the context of a statewide shared ILS system, membership should be open to all types of libraries. Responses from the shared ILS operators reveal the same percentage (36%) *agreeing* or *strongly agreeing* as those *disagreeing* or *strongly disagreeing* with the statement: "In such a statewide Wisconsin shared ILS system, membership should be open to all types of libraries." Nearly one-third were neutral on the statement (see Table 27 for the distribution of responses). The 78 individual libraries that responded to the same statement also reflected a range of attitudes towards opening a statewide shared ILS to all types of libraries, however, more than half (59%) of the respondents *agreed* or *strongly agreed* with the statement above (see Table 29 for distribution of responses).

Discussions during the focus groups revealed differences of opinions regarding expansion of shared ILS membership to other types of libraries, especially school libraries. Given the concerns reflected in the focus group discussions about net borrowers/lenders, the inclusion of school libraries in shared ILS may further exacerbate the lending and borrowing situation.

Multitype shared ILS do exist in other states, notably Illinois. There the regional library systems are intended as multi-type, and some of the regional library systems have been more successful than others in bringing other types of libraries, particularly school libraries, into the shared ILS environment. However, a study conducted by Moen in 2001 for the Illinois State Library identified a number of challenges to successful multitype shared ILS including differing needs of the libraries, the autonomy of individual libraries within larger organizations, and of course the costs incurred for full participation in a shared ILS. That study is available at:
<http://www.cyberdriveillinois.com/departments/library/what_we_do/zillane.html>.

We assume that a key objective of the Wisconsin shared ILS is to support resource sharing among libraries in the State. The shared ILS makes visible the holdings of libraries, which then make those holdings available for sharing. The State as well as the individual shared ILS need to determine if the holdings of other types of libraries within a library system, especially school libraries, are critical resources that should be made visible for the sake of resource sharing. If the determination is positive, then the State and the shared ILS can design appropriate mechanisms for making those holdings visible through the shared ILS.

This study has provided cost information for belonging to the existing shared ILS, and a next step would be to investigate systematically whether school libraries in an area served by a shared ILS can afford the membership costs and responsibilities.

Finally, given the current dominance of public libraries in a shared ILS, a broad expansion of members from other types of libraries may bring new organizational and governance challenges to the shared ILS. Serious consideration of the different missions and activities of public and school libraries (and special libraries as well if they are to be considered for membership) must be examined and discussed with all stakeholders to identify whether a multitype shared ILS can serve the needs of the different types of libraries at a level required by the libraries.

13.2.2. Secondary Objective 2
This objective asked: ***How has shared ILS impacted regional resource sharing with other types of libraries?*** More specifically, the objective asked: ***Has it benefited other types of libraries, or has it isolated or locked out other types of libraries?***

As discussed below in Section 13.2.3, the overwhelming membership of the existing shared ILS are of one type of library, namely public libraries. The benefits of a predominantly single-type shared ILS likely reflect the needs and missions of the public libraries in terms of resource sharing and bibliographic control. However, searching of the shared ILS is available to any library in the state, and thus one can assume that other types of libraries may discover resources available in public libraries that they can access. But that access would need to be through a public library rather than being able to place a hold directly or request the delivery of an item through the shared ILS.

13.2.3. Secondary Objective 3

This objective asked: ***What is the governance structure of shared ILS?*** More specifically, the objective asked: ***Are some restricted to only public libraries?***

Section 6.3 discussed the documents collected from the individual shared ILS through which the study team gained an understanding of the governance structure of shared ILS. While this objective asked about the governance *structure* of shared ILS, the study team discovered that there are various *structures* in place for the governance and administration of the shared ILS. These structures, we believe, reflect different organizational and ownership arrangements for the shared ILS, particularly the central site facility. The documents examined revealed in general a member-based approach for decision-making and governance. In some cases, representatives of the members provided the governing body for the administration of the shared ILS, but in other cases, representatives of the members served in an advisory capacity.

Discussions in the focus group sessions also provided information about governance structures (see Section 12.1.6). As with any member-based organization, representatives of the members have additional responsibilities in the form of committees and meetings to govern and make decisions. The participants generally approved, however, of a consensus-based method for decision-making affecting the operation and management of the shared ILS.

Section 4.3.1. Membership in the Shared ILS addressed the extent to which non-public libraries were offered some form of membership in the shared ILS. Public libraries are the overwhelming type of library belonging to the shared ILS. Seven of the shared ILS restrict membership specifically to public libraries. Even the shared ILS that do offer non-public libraries membership, very few non-public libraries are members. Table 6 shows individual shared ILS that do not restrict membership and types of libraries are allowed full membership in the systems.

13.3. Additional Study Objectives

Cost data by themselves, however, do not always provide the complete story or sufficient information for planning and decisions. The study team proposed two additional objectives for the study to address broader contextual information and perspective on the cost data. The study team offered these objectives to enable the Division to better utilize the cost data compiled from this study and provide perspectives that may help the Division consider possible implications and opportunities based on the cost data for future shared ILS configurations.

13.3.1. Additional Objective 1

The study team addressed this objective by describing the broader context related to the deployment of shared ILS, including for example:

- Legislative Context
- Political Context
- Funding Context
- Technology Context

As shown in this report, the current context for the ongoing development and deployment of the shared ILS is complex. The data collected and analyzed have identified a range of issues and recommendations that can be considered to improve the shared ILS. These recommendations should be considered in a larger context that includes the following factors.

- **State Priorities:** To what degree is the development and enhanced deployment of the shared ILS a high priority for the Division? Decisions regarding the allocation of additional resources to the shared ILS may be linked to resources that are either required or planned for other initiatives. It is unclear to a number of the participants contacted in the study as to the relative priority of the shared ILS versus other Division initiatives.

- **Outcomes, Goals, and Objectives of the Shared ILS:** On a number of occasions, members of the study team attempted to obtain a concise statement of the intended outcomes, goals, and objectives of the shared ILS. To date, such has not been forthcoming. A clearer sense of what the shared ILS is supposed to accomplish is an important context to clarify prior to any future development and deployment of the shared ILS. Further, desired outputs and outcomes can provide a basis for developing ways to assess effectiveness and efficiency of the shared ILS.

- **Wisconsin State Laws related to Libraries:** It is beyond the scope of this report to conduct a complete policy analysis of laws related to libraries in Wisconsin. State law, however, allows for a maximum of 13% of local resources to be provided by the state in support of the shared ILS. Currently, the state only provides 8-9% rather than the maximum of 13% that is allowed. In addition, provisions of Act 150 <http://dpi.wi.gov/pld/sb269.html> have a significant impact on the funding and governance of library systems. It is unclear how these, and related state laws, will (1) evolve in the future to effect the development of the shared ILS or (2) the need to obtain passage of new legislation to better promote and support Wisconsin libraries in general and the Shared ILS in particular.

- **Evaluation and Performance Measures:** It is important to recognize that the study conducted and reported here is primarily a cost study of the shared ILS. The study team is not able to draw conclusions about the overall quality and success of the shared ILS except from largely qualitative data provided by Division staff, system operators, and member libraries. The broader issues related to how best to develop and deploy the shared ILS are difficult to assess without longitudinal, accurate, easily accessible and organized data, and timely statistics and performance measures.

- **Funding for the Shared IL:** The data obtained for this study suggest that funding from the State for initiatives such as the shared ILS may continue to be tight. If, in fact, this is the situation for the shared ILS then the options are to continue to use existing resources for existing services or to use existing resources for re-tooled and/or different services – in short, develop a different operating model for shared ILS in Wisconsin.

  If, on the other hand, there is the possibility of additional State allocations to the Division to be used for the shared ILS, or if the Division chooses to allocate a greater part of its budget to the shared ILS, then there are many more options for how the shared ILS might evolve and be deployed in the future.

- **Technology:** An ongoing trend that affects library services is convergence, that is, technology that can accomplish multiple objectives and provide multiple services through a single "box". Increasingly, terms such as "library automation," "resource sharing," and "web-based services" are defined in terms of each other or in terms of multiple, integrated, and real time web-based services. How this, and other technology trends, will affect the Wisconsin shared ILS landscape is beyond the scope of this study. However, these trends and this context are likely to continue to change rapidly.

- **Vendor Options and Alternatives:** The environment in which shared ILS systems are being developed by the vendor community is a rapidly changing one. New products and services are being offered on a regular basis. Indeed, it is almost a full-time job to stay abreast with the new offerings and determine the degree to which they may or may not be applicable in Wisconsin.

- **Knowledge and Perceived Importance of the Shared ILS:** A number of participants commented on what they perceived as limited knowledge and importance of the shared ILS by typical Wisconsin residents. If such is true, then such is an important context to be considered if the Division is to request additional funding for the shared ILS.

- **Politics within and among the Systems:** Overall, the study team was impressed with the "give and take" among study participants regarding controversial topics, suggesting that participants look to

find solutions and can agree to disagree. However, there also were topics such as reciprocal borrowing and problems associated with net lenders where there were quite strong feelings and views.

In addition, politics related to the large versus small systems and degree to which one versus the other should have priority also emerged. In the brief time the study team spoke with participants, it was clear that there are conflicting politics related to the development of the shared ILS. The degree to which these political views can be channeled positively into problem solving as opposed to fights and skirmishes will also have an impact on the future development of the shared ILS.

- **Standards:** A variety of standards affect the operation and utility of a shared ILS. Whether the standards address technical specifications or functions (e.g., use of the Z39.50 information retrieval protocol) or the cataloging of resources (e.g., Anglo American Cataloguing Rules), awareness and appropriate use of standards can have a positive effect of system interoperability and utility of the underlying database of catalog records. Standards, however, are not static, and new standards and technologies are emerging. Future considerations for the shared ILS will need the expertise of librarians familiar with the appropriate standards and technologies to support the shared ILS goals and objectives.

This brief discussion of factors in the broader context is not intended to be comprehensive. Rather, it attempts to identify areas that the shared ILS community will need to consider as it develops next steps in the evolution of Wisconsin's shared ILS landscape..

13.3.2. Additional Objective 2

This objective addressed possible next steps for the Division to improve statewide resource sharing and access to information through the shared ILS. A discussion of next steps is included in Section 14. Conclusions and Recommendations.

14. Conclusions and Recommendations

This study has collected a wealth of data that the Division and the public libraries in Wisconsin can use to inform planning for the future of Wisconsin's shared ILS landscape. Section 14.1 presents a set of recommendations for consideration of the Division. Data informing these recommendations are the survey questionnaire results and the findings from the focus group sessions. Section 14.2 proposes a set of next steps to improve the shared ILS.

14.1. Recommendations

14.1.1. Establish System of Performance and Outcome Measures

An examination of documents from the shared ILS to understand the governance structures revealed that a number of shared ILS operations have clear purpose. A good example is from the by-laws for the VCAT shared ILS:

> V-Cat is established to provide a shared, integrated library automation system to WVLS member public libraries, and such other area libraries as may participate, for the purposes of 1) facilitating resource sharing among system participants and 2) increasing the efficiency and effectiveness of participant library operations and services. The shared automation system shall provide functions to participating libraries including, but not limited to: circulation control, online public access catalog and MARC cataloging.

What appears to be lacking, however, is any effort to measure the extent to which the shared ILS are meeting stated or implied goals and objectives. Performance and outcome measures are methods by which the shared ILS can assess the extent to which they are meeting or exceeding goals and objectives. Such measures are important to not only understand whether the shared ILS is doing what is intended but also as a way to provide data to assess the costs and benefits of the shared ILS. This study collected self-reported data related to costs, and these data provide a good benchmark and point of departure for considering additional analyses to assess cost and benefits, and cost efficiencies.

Participants in the focus groups agreed that it was unclear what measures should be developed to assess the costs, quality, impact, and outcomes from the shared ILS. While some possible measures were proposed, the issue requires additional thought and study. While it is possible to offer a range of performance and outcome based measures, ideally these should come from an agreed upon set of goals, objectives, and intended outcomes. And, there was wide agreement among participants that such measures should be agreed upon and used – noting that they would want to be part of the process that establish these measures. A logical next step is to develop a process to create practical and useful measures for the shared ILS.

14.1.2. Develop Online Reporting Procedures for Costs and other Aspects of the Shared ILS

This study was a major systematic collection of cost and revenue data related to the shared ILS operations. The resources for the study limited the collection of data to a single year period. Anytime a snapshot of information is collected, in this case a single year's cost and revenue data, the information may be skewed because of one-time anomalies. For effective oversight by the Division of the shared ILS, a system that allows efficient collection of cost and revenue data related to the shared ILS is needed. Two key factors will need to be considered prior to setting up such a data collection system:
- The capability of the shared ILS operators to record data at the necessary level
- An agreement on a standard accounting practice that enables the recording of comparable cost and revenue items.

As noted in 7.1. Costs Related to Operating a Shared ILS, the shared ILS vary in terms of the accounting mechanisms they have in place to record detailed cost and revenue data related to the shared ILS operation. For example, two shared ILS indicated that neither use a separate budget nor a detailed line item mechanism to account for costs of their systems (see Table 17).

Standardizing the component costs for each of the shared ILS to use in recording data will assist the shared ILS operators in accounting for all possible costs related to the operation, and will also provide comparable data. This study identified a range of cost categories that appeared to be useful for collecting the data, however, not all shared ILS record data in the same cost categories as the questionnaire listed. The variance of cost categories that are applicable, plus the variances within the cost categories shared ILS operators provided data for suggest that the Division consider the development of a standard reporting mechanism for collecting accurate cost data for the operation of the shared ILS.
In the focus group sessions, there was a concern about how future shared ILS cost data would be collected and reported. One person commented that "we should build on the data being collected now so that a system is in place for future reporting." Given the development of the cost categories used in the survey and the lessons learned by this experience, a revised set of cost categories, definitions, and procedures should be developed so that systems and member libraries can regularly report – perhaps in an online format – costs related to the shared ILS. Further, this reporting process could also generate the performance measures identified in the section above.

A web-based system for the collection of the cost data could easily be implemented, assuming that the two factors listed above are successfully addressed. To minimize input errors, a standard spreadsheet should be used for the shared ILS to record their data. The spreadsheet would be uploaded to the system, which then processes the data into an appropriately structured database to store the data from each shared ILS. Web-based presentation of the data should be enabled, allowing for various views of the data (e.g., by shared ILS, comparisons over time, comparison by cost categories, etc.) Optimally other data would also be collected to provide context to the cost and revenue data such as number of circulation transactions, number of member libraries, number of holdings, etc.

14.1.3. Standardize Functionality of Shared ILS

At is core, the shared ILS offers a bibliographic database of catalog records, along with an indication of which libraries hold copies of an item represented by the bibliographic record. The shared ILS also provides ways to search for the records and integrates some type of circulation module that allows users or librarians to place a hold on an item. The data collected in this study show a range of shared ILS

functionality available to member libraries and used by those libraries. Table 12 summarized specific functionality reported by the shared ILS operators, and those also reflect a broad range of what is available.

Expectations are increasing for enhanced functionality offered by the shared ILS. ILS vendors are continuing to expand the functionality available. Appendix I presents the responses from both the operators of the shared ILS and member libraries regarding desired functionality. However, the integrated library system is becoming just one tool among many that people use to find relevant information. The epilogue to this report discusses ideas related to this fact and suggests that the Division and the operators of the shared ILS may want to review the role of the shared ILS, and specifically, the online catalog component, in the broader information discovery and access landscape.

In the near term, the Division may want to consider developing a list of core functionality for a shared ILS based on the data collected to guide the purchase of new shared ILS products. If Wisconsin continues to have multiple shared ILS operating, it is advisable that the products chosen provide a common set of functions, features, and services so that library patrons wherever they live benefit from similar services.

14.1.4. Offer Rewards and Incentives

The Division may wish to consider establishing a range of rewards and incentives to further promote the shared ILS. For example, additional study is needed on rewarding systems that are net lenders. The sense of the focus group participants was not that they required *huge* rewards, rather, they would simply like to be recognized for making this contribution to the State. Other incentives might be offered to encourage systems to improve overall shared ILS productivity or for successful management of costs and related expenditures. A competition for a $5,000 (as an example) award to the system that offers the most impressive innovation during the year might also provide ideas and incentives that are transferable to other systems.

14.1.5. Costs and Benefits of School Membership

As noted earlier the Wisconsin shared ILS are predominantly single-type. This study examined the shared ILS operated in the context of the public library systems, and membership in these shared ILS is overwhelming public library oriented.

In the focus groups, there was a wide range of views on the appropriateness of expanding system membership regarding the shared ILS to school libraries and media centers. In the discussions there were considerable differences in terms of assumptions regarding costs, benefits, and appropriateness of schools being members. If the Division determines that these shared ILS should bring in more school libraries, it will want to identify and explore the factors that affect the success of the shared ILS if school libraries do become members. It is likely that there are factors that cut across all systems as well as factors that may be unique to a particular system. Nonetheless, it is clear that the costs and benefits of school membership are not well understood.

14.2. Next Steps to Improve Shared ILS

There are a number of steps that the Division staff can consider as possible approaches for the future development of shared ILS. A first activity that might be useful is to hold open discussion sessions in various parts of the State where shared ILS operators and members can discuss the findings of the study reported here. There is a significant amount of information that has been collected and reported regarding the shared ILS. A discussion of what the shared ILS operators and members think the data mean and the implications of those data for future shared ILS development may benefit planners of the shared ILS.

Given the results of these open discussion sessions, a next step is to clarify the existing goals and expected outcomes of the shared ILS, and determine the shared ILS relative priority given other Division and public library system initiatives. The Division could either propose goals, objectives, and expected outcomes or appoint a committee to tackle the task. Equally important is the need to agree on key statistics, performance measures, and reporting procedures to provide an ongoing assessment of the

shared ILS. This effort is also important both for benchmarking purposes as well as for setting service target levels. In short, there is a need to describe when services are "good enough" and to be able to have tangible and quantitative indicators of when such occurs.

After completion of these first two activities, the Division may then wish to issue a Request for Information (RFI) in which they identify a specific set of requirements and needs that they would like to have a vendor meet in the design of a re-deployed statewide shared ILS or consolidated regional ILS based on existing shared ILS. Issuing such an RFI without first coming to grips with the goals, objectives, performance measures, benchmarks, and needed statistics/performance measures may not be productive. Thus, some work may be required among Division staff and selected system operators and members to clarify the above prior to issuing such an RFI.

14.3. Future Issues and Prospects

The participants in this study documented the importance and their general satisfaction of the shared ILS in the state of Wisconsin. There is clear evidence that participants find the shared ILS to be a successful service that supports the goals of the Division, the systems, and member libraries. Moreover, the shared ILS delivers a range of information and other resources to the residents of Wisconsin that might not otherwise be available. This being said, participants and the study team also identified a number of ways in which the shared ILS could be improved. The degree to which these improvements can be, or should be, implemented will require discussion from all concerned parties.

Despite the wealth of data contained in this report, value judgments related to the costs, benefits, and impact of the shared ILS are difficult to make and can be best made by the residents of the state, the Division, the systems, and member libraries. While additional data that "values" the shared ILS or computes a return on investment (ROI) from the shared ILS from different stakeholder perspectives could be done in the future, such was outside the scope of the current study.

Nonetheless, a number of key issues remain that all participants may wish to consider as they move forward in the development of the existing shared ILS:

- Are the *total costs* for the shared ILS system acceptable given the perceived benefits and impacts for the various stakeholder groups?
- Are the *costs for individual stakeholder groups* (e.g., the State, the Division, the systems, and the member libraries) acceptable given the perceived benefits and impacts from the shared ILS
- Given the existing costs for the shared ILS system, could a *replacement system* be established with either less costs or greater benefits?
- Can existing inefficiencies in the shared ILS be identified and reduced without limiting the quality of, and the satisfaction with, the current services?
- Do those systems that spend considerably more resources on the shared ILS than other systems also provide significantly increased quality of services?
- To what degree is the information technology of the existing system upgradeable or appropriate for the future ILS?
- Is it an appropriate role for the Division to support the statewide shared ILS as opposed to using the resources to meet other needs?

Clearly, in addition to those issues above, a number of other issues can be discussed by study participants that address questions of value, ROI, and impacts. These may not be easy discussions, but they may shed additional light on the various options that should be considered as the Division moves forward with the future development of the shared ILS.

The existing shared ILS environment in Wisconsin provides an excellent base for all participants to start a dialogue on the future evolution and development of shared ILS. An important role of the Division in this regard is to facilitate this dialogue, provide leadership during the discussion, participate in possible strategies and options for the future development of shared ILS, and assist in the planning and implementation of that next system - whatever that "next" system might be.

Epilogue

At the outset of this report, we quoted Lorcan Dempsey, Vice President and Chief Strategist at OCLC:

> One can read the phrase *Integrated Library System* (ILS) in two ways: as a system for the *integrated library*, or as an *integrated system* for the library. Although the latter is what was probably meant by the term, neither is an accurate description of what the ILS has become. In fact, it is a misleading term whose continued use is bemusing. It is clear that the ILS manages a progressively smaller part of the library activity.

We end this report by raising a few ideas based on recent reports about library catalogs in the context of the broader networked information environment. In the shared ILS, the online catalog provides the interface to a wide range of library resources available to users; the other services and functions (e.g., circulation, holds, etc.) of the shared ILS are dependent on the catalog.

The Library of Congress commissioned a study prepared by Cornell University's Associate University Librarian Karen Calhoun entitled *The Changing Nature of the Catalog and Its Integration with Other Discovery Tools* <http://www.loc.gov/catdir/calhoun-report-final.pdf>. Issued in spring 2006, the report challenges assumptions about the traditional library catalog and assesses the impact of Internet on the public access catalog. Although Calhoun's study focused primarily on the role of the library cataloging in the context of a research library, many of the issues and challenges also face public libraries and their catalogs.

In the networked information landscape, Calhoun notes that the online library catalog is one tool among many that users are engaging with to identify and access information, and it is a tool that is declining in use by the users:

> Today, the catalog operates against a backdrop of flat or declining use of library collections, flashy and powerful alternatives for information discovery, rapid changes in information technology, rising expectations of library patrons, a rapid increase in new kinds of digital assets, mass digitization projects, and an incipient revolution in scholarly information exchange. If one accepts the premise that library collections have value, then library leaders must move swiftly to establish the catalog within the framework of online information discovery systems of all kinds.

Calhoun carried out approximately 20 structured interviews with a variety of library directors, managers, scholars, and vendors. Based on the interviews and literature analysis, the data "suggest that today's library catalogs are long on problems and short on unique benefits for users. The cost-effectiveness of cataloging tradition and practice is under fire. The typical research library catalog's strongest suit is its support for inventory control and as 'last mile' technology to enable delivery of the library's assets into the hands of local users."

The catalog needs to be assessed in the larger enterprise in which the catalog is an output, and to that end, Calhoun presents a ten-step planning process to revitalize the library catalog in the context of the broader information landscape. The ten steps are:
1. Define the Community to Be Served
2. Choose a Strategic Option
3. Prepare for Linkages In and Out of the Catalog and/or ILS
4. Innovate and Reduce Costs
5. Improve the User Experience
6. Make Good Decisions
7. Market the Library
8. Manage Change
9. Develop, Retrain, and Recruit
10. Find Funding and Partners

For each of these steps, Calhoun suggests specific actions to address in developing a plan. Some of these actions challenge some closely-held beliefs and values of libraries and especially catalogers. For example, in Step 4. Innovate and Reduce Costs, she recommends, among others:

- Simplify catalog records to a set of basic elements to support discovery, browsing, identification, delivery, resource sharing, linking, and inventory control
- Identify local customization (e.g., for call numbers) and record editing practices and eliminate them in favor of accepting as much cataloging copy as possible without review or modification
- Abandon the attempt to do comprehensive subject analysis manually with LCSH in favor of subject keywords; urge LC to dismantle LCSH
- Encourage research and development in automatic subject analysis, including ways to reuse legacy data containing LCSH headings to support automatic subject analysis

For Step 5. Improve the User Experience, her recommendations include:

- Enrich the catalog with services (e.g., "more like this," "get it" options, new book lists, etc.), and data (cover art, reviews, TOCs)
- Enable much better browsing and organization of large retrieval sets
- Enable best-match retrieval (no search dead ends)
- Continue working with available technologies (but look for better ones) to federate
- discovery and delivery of books, journals, and journal articles
- Link the user to full text whenever possible

It is not our intention to summarize here Calhoun's report, but to give an indication of the approach offered by Calhoun for planning the next phase of the library catalog.

Calhoun is not alone in taking a critical look at the library catalog. In December 2005, the University of California's Bibliographic Services Task Force (BSTF) issues a report entitled *Rethinking How We Provide Bibliographic Services for the University of California* <http://libraries.universityofcalifornia.edu/sopag/BSTF/Final.pdf>. A key charge for the BSTF was:

> Develop a vision and design principles for a new bibliographic service environment that states how the underlying bibliographic practices, workflows and technologies can work together more efficiently and flexibly to provide better services to end-users and library staff in a collaborative and shared collections environment (both electronic and print).

Similar to Calhoun, the BSTF places the library catalog within the broader information landscape and concludes that the catalog must change and that libraries must integrate access to diverse library resources or face continuing decline in users. For example, the report states:

> We are living in a complex and challenging digital landscape that changes constantly. On the Library front, our bibliographic systems have not kept pace with this changing environment. The continuing proliferation of formats, tools, services, and technologies has upended how we arrange, retrieve, and present our holdings. Our users expect simplicity and immediate reward and Amazon, Google, and iTunes are the standards against which we are judged. Our current systems pale beside them.

> The current Library catalog is poorly designed for the tasks of finding, discovering, and selecting the growing set of resources available in our libraries. It is best at locating and obtaining a known item. For librarians and for our users, the catalog is only one option for accessing our collections. We offer a fragmented set of systems to search for published information (catalogs, A&I databases, full text journal sites, institutional repositories, etc) each with very different tools for identifying and obtaining materials. For the user, these distinctions are arbitrary.

> If we wish to remain a contender in the information marketplace, we need to incorporate efficient ways for obtaining, creating, and exporting metadata. We must respond to demands to enrich our

data in new ways, to add value and provide unique services to our users, without draining our budget. Given its prohibitive cost, staff created metadata should be applied only when there is proven value for current and future scholars.

BSTF's report makes a series of recommendations grouped into four areas. The following are the four areas with their associated recommendations:

I. Enhancing Search and Retrieval
I.1 Provide users with direct access to item
I.2 Provide recommender features
I.3 Support customization/personalization
I.4 Offer alternative actions for failed or suspect searches
I.5 Offer better navigation of large sets of search results
I.6 Deliver bibliographic services where the users are
I.7 Provide relevance ranking and leverage full-text
I.8 Provide better searching for non-Roman materials

II. Rearchitecting the OPAC
II.1 Create a single catalog interface for all of UC
II.2. Support searching across the entire bibliographic information space

III. Adopting New Cataloging Practices
III.1 Rearchitect cataloging workflow
III.2. Select the appropriate metadata scheme.
III.3 Manually enrich metadata in important areas
III.4 Automate Metadata Creation

IV: Supporting Continuous Improvement

Of particular interest for the Division and Wisconsin's shared ILS are recommendations II.1, III.1, III.2, III.3, and III.4. Although the current study did not focus in detail on cataloging operations of the libraries and the shared ILS, ideas presented by BSTF may suggest to the Division that a study on cataloging operations within and across public libraries and shared ILS is warranted. For example:

To maximize the effectiveness of our metadata creation, University of California cataloging should be viewed as a single enterprise. We need to move beyond a practice of shared cataloging to a practice of integrated cataloging, in which the system adopts a single set of cataloging standards and policy, eliminates duplication of effort and local variability in practice, provides system wide access to language, format, and subject expertise, and creates a single copy of each bibliographic record for the entire system.

BSTF notes that an analysis of UC libraries collections found that "77% of the monographs published in the last 10 years are held on more than one campus, suggesting that a significant amount of duplicate acquisitions and cataloging is taking place within the system." Wisconsin's shared ILS and their bibliographic databases help minimize duplicative cataloging for shared ILS members, but it is not clear whether such duplicative cataloging is a problem across the shared ILS.

The report suggests strongly that the catalog needs to be integrated with other discovery tools. For example, related to recommendation II.2:

Users are often unaware that there are multiple discovery tools for the resources the library has to offer: the library catalog, abstracting and indexing databases, the e-Scholarship Repository, various collections of digital library objects, archival collections, etc. As a result, they are frequently frustrated by their lack of success in finding what they seek. The few sophisticated researchers who are aware of the differences are justifiably unhappy with the need to search one "silo" at a time. Users who are accustomed to Google expect to enter one search and retrieve information pulled together from

across the information space and presented in a single ranked list. They want more than the ability to search multiple catalogs or multiple A&I databases simultaneously. They expect to search the full range of tools cited above or subsets the user wishes to select.

While each shared ILS offers the online catalog as a primary discovery tool, the focus for future discussions cannot simply be the catalog. Dempsey states in a posting on his weblog (May 14, 2006) entitled Lifting out the catalog discovery experience: "The catalog discussion is often presented as just that, *the catalog discussion*. However, it belongs in a wider context. We may be lifting out the catalog discovery experience, but we are then re-embedding it in potentially multiple discovery contexts, and those discovery contexts are being changed as we re-architect systems in the network environment" <http://orweblog.oclc.org/archives/001021.html>.

As Wisconsin public libraries and the Division reflect on the findings of this study and begin discussions on the next phase of shared ILS implementations and resource sharing, we believe it is important for those discussions to take a broader perspective than simply the shared ILS. Based on this study, it appears that the shared ILS are providing a good foundation for current resource sharing among libraries and their users. However, as indicated in the two reports discussed above, the library catalog – a central feature of the shared ILS – may see declining usage if it is not better integrated with other discovery tools. Wisconsin is investing millions of dollars each year in the operation of the shared ILS. What level of catalog usage and circulation by library patrons and librarians is required to justify the current level of investment? There is a need for longitudinal data, especially related to catalog use and circulation, to identify positive and negative trends in shared ILS usage. The online reporting mechanism discussed in Section 14.1.2 will be a important improvement in collecting appropriate data to inform decisions.

We also think it is important for the Division and the public libraries to review the Calhoun and BSTF reports to inform discussions related to the role of the shared ILS, and particularly the online catalog component, in the broader networked information landscape. Libraries will safeguard their roles as key information services organizations if they work to implement systems that truly assist their users in finding relevant information no matter what the format or its location. This implies better integration of information discovery tools so users are not faced with numerous silos of information, with their associated difficult-to-use interfaces.

Finally, current initiatives are going to result in major changes to cataloging practices and bibliographic control. Work is underway for the next generation of descriptive cataloging rules. *Resource Description and Access* (RDA) <http://www.collectionscanada.ca/jsc/rda.html> is the name of this next generation of rules, and current plans are for its publication in 2008 (see <http://www.collectionscanada.ca/jsc/rda.html>). RDA is relying on concepts and terminology that were presented in a 1998 study called *Functional Requirements for Bibliographic Records* (FRBR) (see <http://www.ifla.org/VII/s13/frbr/frbr.pdf>). Implementation of FRBR concepts is already providing new user displays and organization of online catalogs; RedLightGreen <http://www.redlightgreen.com/> from Research Libraries Group and OCLC's FictionFinder <http://www.oclc.org/research/projects/frbr/fictionfinder.htm> are two implementations to examine. Finally, the traditional MARC record is also likely to change substantially. MARC is a standard record structure for encoding bibliographic data for exchange. The record structure was developed in the 1960s and although it has evolved successfully in the past 30+ years, it is likely to give way to a more web friendly markup, namely Extensible Markup Language (XML). Tools are available now for transforming traditional MARC records into an XML format, and the next generation of MARC will likely be completely XML based.

We believe that these initiatives may constitute a major new phase in the evolution of library practices and technologies. Planning for the future of Wisconsin shared ILS will need to take into consideration many factors, and the Division can exhibit its leadership by preparing the way for the necessary discussions to move from the 20th century shared ILS landscape into the 21st century services that will build upon the past success of the shared ILS and resource sharing.